

Vol. 2, Ed. 6

July 7, 2015

Greetings Constituents and Friends,

Summer is officially here and I hope you are all staying cool from this heat. On Monday June 15th, the GOP Senate budget writers proposed the Senate version of the two year state budget. As anticipated, this budget is substantially smaller than the House version. The Senate has proposed to spend \$21.47 billion on state resources and services. This budget was passed by the Senate and was sent to the House. Both chambers have gone to conference committee to work out a compromise and this process is expected to drag on into July.

The North Carolina economy is growing at a sluggish rate with the unemployment rate ticking up for the third straight month in a row. North Carolina families saw smaller tax refunds and have seen their incomes decline. Companies like Volvo are dismissing North Carolina and taking their business to other states, like South Carolina, all the while legislative Republicans are championing the "Carolina Comeback". We, as a state, can do better, which is why we need a state budget that will turn our economy around and will bring economic relief for working families.

Please feel free to forward this letter to your family and friends so they can stay in the loop as to what is going on in Raleigh. Send us their contact information so we can add them to our Newsletter listserv!

As always, please continue to refer to the North Carolina General Assembly website at <u>www.ncleg.com</u>, to track information on committee meetings, bill status, legislative updates, etc. The North Carolina state government <u>www.ncgov.com</u> is helpful for in-depth information regarding our state resources.

*****LEGISLATIVE UPDATE*****

HB 148 – The Senate approved of legislation that would require moped users to insure their mopeds. This bill will ensure that moped drivers are responsible for any liabilities. I supported this bill because it will allow for transparency and accountability.

HB 97: The Senate passed its version of the state budget on June 18th. Currently, there is an \$800 million gap between the Senate and House version of the budget. Budget writers from both chambers have gone to conference committee to weed out the differences behind closed doors. Although this budget has some good provisions, it does not fully meet the needs of all North Carolinians, which is why I voted against it. The fiscal year technically started July 1st, but without a budget plan, the NCGA was forced to pass a temporary spending plan that would keep the government running for 45 days.

Budget Highlights

- Raises starting teacher salary to \$35,000, but does not raise pay for veteran teachers who are capped at \$50,000 per year.
 Fails to raise pay for all state employees.
 - Cuts teacher assistant (TA) funding, which
- Implements an 80/20 plan for sales tax redistribution. 20% of local sales tax collections

would eliminate over 8,000 TA positions in order to hire more teachers to reduce class sizes.

- Would spend \$29,000,000 on textbooks instead of \$73,000,000 as proposed by the House.
- The budget includes a provision which would move Medicaid to an outside agency. The agency would be run by appointees from the Senate, House, and the Governor.
- Repeals a privilege tax on banks and lowers taxes on businesses in order to spark economic growth.
- Eliminates funding for drivers ed. This would cost parents up to \$400 per child to take a driver's ed course.

will stay in the point of sale, while 80% will be redistributed based on county population. Mecklenburg County would lose millions in revenue based on this plan.

- The budget would continue to reduce corporate tax rates and expand the bracket for income tax exemption.
- DMV fees would increase by 20%.
- Would spend slightly over \$12,000,000,000 on public education from K-12 to higher education for the 2015-16 fiscal year. This education budget fails to reach pre-recession spending on education. In terms of constant dollars, this budget would spend less on education than before the recession.
- Reduces sales tax exemption for non-profits from \$45,000,000 to \$1,000,000.

IN THE NEWS

<u>Budget Debate</u>: During the budget debates in the Senate, I made it clear that this budget had several provisions that I couldn't vote for. I couldn't support a budget that would take a significant amount of sales tax revenue from Mecklenburg County and give it away to other counties. This budget has Republicans participating in redistribution of wealth. Click the Budget Debate link for a Charlotte Observer article on the budget.

DISTRICT RELATED NEWS

Renaissance West Community Initiative (RWCI)-The Senate proposed budget allows for a provision that would appropriate funds from the Department of Commerce for the Main Street Solutions to the RWCI. The Department will allocate \$100,000 in non-recurring funds to RWCI whose mission is to provide quality housing, education, health, wellness, and opportunity. I will track this provision and do my best to make sure that it makes it into the final version of the budget.

In 2009, the Charlotte Housing Authority received a \$20.9 million HOPE VI grant to revitalize the Boulevard Homes as a mixed-income community that included plans for an education village and supportive services for families. RWCI was launched to lead the implementation of the education and services continuum. It serves as the "lead agency" that ensures programs and services are available to meet the needs of children and families in The Renaissance Community. RWCI brokers community partnerships, aligns programs to ensure maximum impact and holds partners accountable to a collective set of goals which is designed to end inter-generational poverty. RWCI will ensure that families are supported, children achieve and the community thrives through comprehensive strategy. The communities of Renaissance (formerly Boulevard Homes) and Little Rock Apartments located at the corner of West Boulevard and Billy Graham Parkway are the focus of RWCI. Upon completion, The Renaissance is projected to be a \$90 million community that includes investments from HUD, Charlotte Housing Authority, the City of Charlotte, tax credits, bank financing and philanthropy. Additionally, Charlotte-Mecklenburg Schools has committed \$30 million in bond funding to build the PreK-8 school.

Congratulations to Mallard Creek High School who recently won a North Carolina High School Athletic Association state championship in the 4A Men's Track and Field competition. With 403 schools vying for championships in four classifications, earning such an achievement takes a great deal of effort and support. A job well done to Mallard Creek, the coaching staff and student athletes!

SPECIAL THANKS

Thank you for voicing your issues, thoughts, and concerns through your many e-mails, phone calls, and office visits. I appreciate receiving input from you and am honored to be serving you in the 2015 Long Legislative Session. Please feel free to contact me, or my office.

Committees

Agriculture/Env./Natural Resources, Appropriations/Base Budget, Appropriations on Dept. of Transportation, <u>Commerce</u>, <u>Finance</u>, <u>Information & Technology</u>, <u>Insurance</u>, <u>Rules and Operations of the</u> <u>Senate</u>, <u>Transportation</u>

> Senator Joel D. M. Ford North Carolina State Senate Legislative Building 16 West Jones Street, Room 1119 Raleigh, NC 27601 (919) 733-5955 phone (919) 754-3254 fax Joel.Ford@ncleg.net

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