



The Senate Connection

Connecting Davie and Rowan Counties with news from the
Office of Senator Andrew Brock

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APRIL 9, 2009

◆ Senate Budget:

This is Senator Andrew Brock reporting to you from Raleigh at the North Carolina General Assembly with your weekly Senate Update. The Senate Budget was the hot topic around the legislature this week. Senate Democrats unveiled their 20.9 billion dollar budget Monday night after drafting it behind closed doors out of sight of taxpayers, the press, and most Senators.

Senate Republican Leader Phil Berger (R-Rockingham) argued that there should have been an open and deliberative budget process and suggested that Senate Democrats Delay the Budget vote until next week so that the public and all Senate members would have an opportunity to review the 347 page document. Democratic leaders ignored Berger's call. The Charlotte Observer published an editorial www.Charlotteobserver.com on Wednesday agreeing with his position. It stated, "Berger is right. If the Senate insists on voting today on a lengthy budget made public only Monday night, rank-and-file legislators are well within their rights to treat it as a foreign object and keep their distance."

Senate Republicans overwhelmingly did just that for a number of reasons. While North Carolina Families are freezing their budgets during these difficult times, the Senate increases the government budget by nearly 1.5 billion dollars, a jump of over 7 percent from the amount being spent this fiscal year. Senate Republicans believe sound fiscal policy during time of economic slowdown necessitates spending cuts rather than spending increases, since spending increases will require increase in your taxes.

And as for taxes, the Democrat budget includes unknown tax increases referred to as "tax adjustments" totaling over 1 billion dollars for the biennium. Democrats would not provide details on what taxes were being raised. Senator Bob Rucho (R-Mecklenburg) said that voting for such a budget was "buying a pig in a poke if we don't know where these revenues are coming from." The budget also raises fees (taxes) by another 50 million dollars annually. Republican argued that tax and fee increases will further damage the economy and cost jobs.

There were also concerns that Democrats were making unreasonable assumptions about state revenue growth for the second year of the biennium with a 5 percent revenue growth estimate. Senate republicans also pointed out that the budget relies on temporary federal bailout money to fund ongoing expenses making future tax increases certain.

Despite most Republican Senators opposition to the budget, with Democrats in control of the Senate the Budget passed Thursday.

Remember my legislative office is available if you need our services. Our phone number is Raleigh is (919)-715-0690 and my direct email address is andrewb@ncleg.net.



2009 Budget Highlights

- ◆ While North Carolinians are freezing their family budgets during these difficult economic times, the Senate budget continues spending growth. It increases spending from this year by \$584 million. The economic slowdown necessitates spending cuts rather than spending increases. The North Carolina General Fund budget should be frozen at current levels.
- ◆ There are tax increases euphemistically called “tax adjustments” totaling over \$1 billion for the bien-nium. We do not know what taxes Democrats propose to increase. And with the current economy, any tax increases will further damage our economy and cost jobs.
- ◆ There are more than \$40 million in increased fees (taxes) that will hit families and small businesses.
- ◆ The Senate budget relies on federal bailout money to fund ongoing expenses. How will the state compensate for this when the federal money ends? Tax increases?
- ◆ Budget process decisions were made behind closed doors. Senate Democrats released this 347 page budget proposal Monday evening without any public debate or discussion. Even most Senators were not allowed to participate. Now Democratic leaders expect members to vote within hours after the bill emerges from the backrooms of the Legislative Building. The state budget adopted this year will affect every North Carolina family and they deserve to have their elected representatives participate in an open and deliberative process.



Senate Budget Does NOT Cut Spending

08-09 General Fund Spending (Actual)	\$20,385,000,000
09-10 Governor's Proposed Budget	\$20,981,000,000
09-10 Senate Proposed Budget	\$20,049,000,000
Medicaid Recurring Spending	\$920,000,000
Total Senate Spending for 09-10	\$20,969,000,000
Senate version doesn't include on budget recurring spending for Medicaid funded by the Federal Bailout money (Medicaid FMAP increase)	
09-10 Senate Budget actually increases spending by	\$584,000,000

Other News and Bills:

The House is considering legislation that would permit cameras on school buses to catch drivers who pass stopped buses. The bill is named the Nicolas Adkins, a Rockingham County high school student who was killed by a motorist while trying to board his school bus. For information and full view of the bill please visit this link [House Bill 440](#)

A bill to bail out the bankrupt State Health Plan narrowly passes the House Appropriations Committee on Wednesday. This legislation will cost taxpayers 730 million dollars over the next two years and raise premiums 10 percent per year for dependents of state employees. The House may consider this bill on the floor next week. For more information and full view of Senate bill 287 please visit [Bill S287](#)