



NC Justice Center

Opportunity and Prosperity for All

Agenda 2010:

Managing Crisis and Building Toward Recovery

Sixteen months ago, at the start of the 2009 session of the General Assembly, North Carolina faced the gravest economic and fiscal crisis since the Great Depression. Fortunately, state leaders rose to the occasion. Though not always perfect, for the most part, the policies adopted last year helped directly soften the blow of the recession on hundreds of thousands of struggling families and prime the economic recovery pump in a way that benefitted millions more.

To their lasting credit, state leaders recognized the fact

that “what is good for average people is good for the economy.”

This spring, as lawmakers reconvene for the 2010 short session, we are beginning to see light at the end of the tunnel. For the first time in more than two years, economic activity is on the rebound. Slowly, steadily, a sense of renewed optimism is returning to the state.

But, of course, the work of state government is far from over. With the beginning of a recovery in sight, now is no time to let up. The role of state

government – in assuring economic security for people living on the edge and boosting the economy as a whole – is more important than ever. For this reason, it is essential that state leaders keep pushing ahead with policies that invest in people, preserve and strengthen essential structures and services and advance the cause of reform.

To these important ends, the North Carolina Justice Center recommends the following list of policy priorities for the 2010 North Carolina General Assembly:

■ Strengthen Budget Priorities and Modernize State Finances

- Address the budget shortfall by enacting efficiencies, using all available resources including federal funds, carefully setting priorities and enacting reform-minded revenue increases
- Require multi-state corporations to pay their fair share of income taxes by mandating “combined reporting”
- Require tax incidence analysis (i.e. analysis showing the impact of taxes on taxpayers of different income levels) for the entire state and local tax system every two years and for any proposed changes that would alter revenues by more than \$20 million

■ Put People Back to Work

- Require subsidized businesses to implement “first-source” hiring that targets new job opportunities to long-term unemployed

- Establish meaningful wage standards for all business subsidy programs
- Target distressed communities by scaling back on subsidies to Tier 3 (i.e. wealthier) counties and increase economic development investments and special employment programs to economically distressed Tier 1 counties (and distressed urban development zones)
- Create a work-sharing program to stem layoffs

■ Support and Protect Workers

- Ensure that funding for the NC Community College system covers increased enrollment without harming low-income students and provide access to student loans on all campuses
- Guarantee that workers have a minimum number of paid sick days to care for themselves, sick children and parents
- Sustain funding for child care subsidies that provide

(over)

affordable, quality child care for low-income workers and extend the special provisions that permit unemployed workers to remain eligible for child care subsidies

- Establish an Emergency Employment Program that provides wage subsidies to small businesses and non-profits to spark hiring
- Repeal the prohibition on collective bargaining for public employees

■ Improve NC's Health Care System

- Protect Medicaid/Health Choice funding and raise the Health Choice enrollment cap so all eligible children can access affordable, quality health care
- Implement national health reform in NC quickly and fairly to reduce health costs and improve access for everyone
- Pass SB1022 (Comparative Effectiveness Task Force) in the House to gather NC resources to make health care more efficient and effective
- Codify fair and simple Medicaid appeal procedures

■ Protect Consumers, Homeowners and Homebuyers

- Ensure adequate funding for Home Protection Program to help laid off workers avoid foreclosure
- Pass SB 1015, the "Homeowner/Homebuyer Protection Act," which provides protections against foreclosure rescue scams and abusive home purchase arrangements
- Secure continuation and expansion of the Commissioner of Banks' Foreclosure Prevention Program and enable the program to fund housing counselors and legal service providers
- Stop any attempts by the consumer finance industry or other lenders to increase rates and fees on consumer loans

■ Increase Access to Services and Safe, Decent and Affordable Housing

- Provide annual funding of \$50 million to the NC Housing Trust Fund
- Ensure fair and adequate access to utility services and energy efficiency programs
- Amend NC's annexation laws to address challenges faced by low-wealth communities
- Create the "NC Sustainable Communities Task Force" to better coordinate the development of healthy, safe and sustainable communities accessible to all North Carolinians

■ Ensure a Sound Basic Education for All Children

- Ensure educational services for at-risk students
- Maintain current funding streams for disadvantaged students as a means of future economic investment
- Ban corporal punishment for children with disabilities
- Maintain the cap on charter schools

■ Improve Civil Rights and Access to (and Fairness in) the Courts

- Increase funding for civil legal services
- Raise the presumptive age for adult criminal prosecution to 18
- End wasteful spending on ineffective and harmful local enforcement of federal immigration laws
- Provide adequate funding for interpreting services for indigent civil litigants
- End capital punishment for people with severe mental illness

■ Address the Barriers to Re-entry for People with Criminal Convictions

- Make successful re-entry and the reduction of the recidivism rate a priority for NC by establishing a comprehensive plan that addresses ex-offenders' needs for housing, medical treatment, training and jobs
- Maintain funding for services, education and job skills training for people in prison and those with criminal records

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