

★ RECOMMENDATIONS

Below are eleven action items that North Carolina's new General Assembly should seek to implement in the first 100 days of the 2011 legislative session. These items touch upon a cross section of public policy areas, including education, economic development, property rights, energy and the environment, health care, the budget, and transparency. We at the John Locke Foundation believe that these items represent straightforward actions that would greatly enhance the liberty and prosperity of North Carolina's citizens. They are presented here in no particular order.

- Repeal Corporate Welfare Laws
- Repeal SB3
- End the North Carolina Education Lottery
- Prohibit Forced Annexation
- Pass a Constitutional Amendment to End Eminent Domain Abuse
- Repeal Taxpayer Financing of Political Campaigns
- Open the Budget Process with 72-5-10
- Put State Spending Online
- Resist Federal Encroachment on Health Care
- Remove the Cap on Charter Schools, Eliminate Their Enrollment Restrictions, and Decentralize the Charter Authorization Process
- Expand the Pool of Qualified Teachers By Removing Barriers to State Certification

Take this checklist with you! Just remove it at the perforations. →



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“To prejudge other men’s notions before we have looked into them is not to show their darkness but to put out our own eyes.”

JOHN LOCKE (1632–1704)
Author, *Two Treatises of Government and Fundamental Constitutions of Carolina*



THE FIRST 100★DAYS

Eleven Action Items for the
2011 Legislative Session



★ ACTION ITEMS

★ Repeal Corporate Welfare Laws

Craft legislation to abolish the Bill Lee Act, the One North Carolina Fund, and the Golden LEAF Foundation. These programs should be abolished as a first step toward ridding North Carolina of all corporate welfare. The focus of state policy should be on economic growth, not economic development. That means cutting taxes and reducing regulations for all businesses, not subsidizing a privileged few.

★ Repeal SB3

Senate Bill 3 was passed in 2007 to establish renewable energy and energy efficiency standards for North Carolina. It discourages the use of relatively inexpensive energy sources such as coal, gas, and nuclear power while forcing electricity customers to pay for high-cost and impractical sources such as wind and solar power. It also imposes a so-called energy efficiency standard, which forces citizens to reduce their energy consumption. There are no environmental benefits to the legislation, and estimates suggest that it is costing the state thousands of jobs.

★ End the North Carolina Education Lottery

Lottery funds don't supplement education spending; they supplant it. The lottery takes advantage of the poor and uneducated. The top ten counties in lottery sales per adult had poverty and unemployment rates well above the state average. The most economically distressed counties in North Carolina had higher lottery sales per adult than the state average, and much higher sales than the least economically distressed counties. The state has no business being in the lottery business.

★ Prohibit Forced Annexation

Forced annexation is a process whereby cities can force property owners living in adjacent unincorporated areas into the city. This undemocratic process provides no voice for the annexation victims. Cities should be able to annex unincorporated areas, but not through this abusive practice that often costs property owners an excessive amount of money.

★ Pass a Constitutional Amendment to End Eminent Domain Abuse

The government should never be able to seize private property for economic development purposes. An amendment to end eminent domain abuse must also address the biggest abuse of eminent domain connected to economic development: blight laws. Through overbroad definitions of blight, the government can use blight as a pretext to take property for economic development. Furthermore, the amendment should ensure that just compensation makes property owners whole.

★ Repeal Taxpayer Financing of Political Campaigns

Under current law, North Carolina uses taxpayer funds to finance campaigns for appellate court races and select Council of State races. Forcing taxpayers to subsidize candidates they oppose is unethical. Taking taxpayer dollars for political welfare is also unethical. Furthermore, these

programs are likely unconstitutional because they chill the free speech rights of citizens, candidates, and independent organizations.

★ Open the Budget Process with 72-5-10

Revise legislative rules to post budget bills online 72 hours before the first vote, provide a five-year forecast (fiscal note) of the budget's impact on spending and taxes, and amend G.S. 143C-4-2 to set aside all surpluses until the Savings Reserve Account reaches 10 percent of the General Fund.

★ Put State Spending Online

Compel the state controller and each agency to publish detailed spending online in a structured, searchable, and exportable format. Require the data to be updated at least once every four weeks. Experience in Wake County and in other states has shown that publishing spending online can be done at little to no additional cost.

★ Resist Federal Encroachment on Health Care

Hold hearings with federal and state health officials, insurance companies, pharmaceutical companies, medical providers, and families on the impacts of the federal health law on Medicaid, the budget, and North Carolinians. Pass a bill guaranteeing Freedom of Choice in Health Care to all North Carolinians. Bar the executive branch from acting in compliance with the federal law and refuse to fund any new health care rules.

★ Remove the Cap on Charter Schools, Eliminate Their Enrollment Restrictions, and Decentralize the Charter Authorization Process

For the last 13 years, North Carolina lawmakers have maintained artificial restrictions on public charter school growth. As a result, an estimated 20,000 students remain on charter school wait lists. Lawmakers should meet the public's demand for charter schools by repealing §115C 238.29D.(b) and (d) to remove restrictions on public charter growth and amend §115C 238.29B.(c) to allow multiple entities to give final approval to new charters.

★ Expand the Pool of Qualified Teachers By Removing Barriers to State Certification

Study after study shows that certification requirements do not guarantee high-quality teachers. For that reason, lawmakers should amend the law (§115C 296) to authorize selected organizations to offer alternative routes to state certification, and they should monitor compliance with S.L. 2009-0451, Section 7.21.(a), which instructs state education officials to remove barriers to lateral entry into teaching. Finally, they should also repeal S.L. 2010-178, a law that imposes burdensome certification requirements on child care and early education providers.

★ RESOURCES

Repeal Corporate Welfare Laws

- ★ Agenda 2010: Economic Development johnlocke.org/agenda2010/economicdevelopment.html
- ★ "Tax Credit Will Not Save Movies But Will Lose Money," JLF Spotlight 376 johnlocke.org/research/show/spotlights/227

Repeal SB3

- ★ "Energy Behavior Modification," JLF Spotlight 357 johnlocke.org/research/show/spotlights/208
- ★ The Economic Impact of North Carolina's Renewable Energy and Energy Efficiency Portfolio Standard, JLF Policy Report johnlocke.org/research/show/policy%20reports/202

End the North Carolina Education Lottery

- ★ Agenda 2010: Education Lottery johnlocke.org/agenda2010/educationlottery.html
- ★ "Eastern NC's Lottery Bug," JLF Spotlight 316 johnlocke.org/research/show/spotlights/165

Prohibit Forced Annexation

- ★ "Forced Annexation in N.C.," JLF Spotlight 366 johnlocke.org/research/show/spotlights/217
- ★ Agenda 2010: Forced Annexation johnlocke.org/agenda2010/forcedannexation.html

Pass a Constitutional Amendment to End Eminent Domain Abuse

- ★ Eminent Domain in N.C.: The Case for Real Reform, JLF Policy Report johnlocke.org/research/show/policy%20reports/85
- ★ JLF Agenda 2010: Eminent Domain johnlocke.org/agenda2010/eminentdomain.html

Repeal Taxpayer Financing of Political Campaigns

- ★ Agenda 2010: Taxpayer Financing of Campaigns johnlocke.org/agenda2010/campaignfinancereform.html

Open the Budget Process with 72-5-10

- ★ Agenda 2010: Spending Reform johnlocke.org/agenda2010/spendingreform.html

Put State Spending Online

- ★ JLF Agenda 2010: Transparency and Accountability johnlocke.org/agenda2010/transparencyandaccountability.html

Resist Federal Encroachment on Health Care

- ★ Agenda 2010: Health Care Reform johnlocke.org/agenda2010/healthcarereform.html
- ★ Peter Suderman, "Rogue States: The Revolt Against ObamaCare," *Reason Magazine*, October 2010 reason.com/archives/2010/09/14/rogue-states

Remove the Cap on Charter Schools, Eliminate Their Enrollment Restrictions, and Decentralize the Charter Authorization Process

- ★ "Zero Tolerance for Charter Schools," JLF Spotlight 382 johnlocke.org/research/show/spotlights/233
- ★ Agenda 2010: School Choice and Competition johnlocke.org/agenda2010/schoolchoiceandcompetition.html

Expand the Pool of Qualified Teachers By Removing Barriers to State Certification

- ★ Agenda 2010: School Standards and Testing johnlocke.org/agenda2010/schoolstandardsandtesting.html
- ★ Agenda 2010: Child Care and Early Childhood Education johnlocke.org/agenda2010/childcare.html