






## Invest in North Carolina's Future

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### EXECUTIVE SUMMARY:

-  North Carolina is facing a critical moment. Vital public investments – such as our public schools, community colleges, and public safety resources – are at risk, and with them, jobs and our future economic prosperity.
-  Fortunately, our leaders have some effective tools at their disposal. We need a forward-thinking strategy that invests in North Carolina's families and communities.
-  Here are some broad legislative goals that will ensure that state government runs at its most efficient and expands economic opportunity for people throughout North Carolina.

### Maintain and Improve Critical Public Investments: Modernize the State's Finances

NORTH CAROLINA NEEDS TO TAKE A BALANCED APPROACH that includes preserving and expanding our revenue base. This will save tens of thousands of jobs, provide families with much-needed services, and protect the investments that make North Carolina a great place to live and do business.

The current session offers an opportunity to modernize the state's revenue system, which hasn't been updated since the 1930s. By broadening the base of the personal income tax and sales tax, requiring combined corporate tax returns, and eliminating loopholes and special tax breaks, we can balance the budget and invest in North Carolina's future.

One proven investment is the Housing Trust Fund. The state's only such flexible fund has proven successful at putting people to work and keeping them in affordable homes – two crucially important goals today.

### Put People Back to Work

With unemployment still near 10 percent – and worse in many parts of the state – North Carolina needs an

every-tool-in-the-toolbox approach to job creation. First, we should extend our successful wage subsidy program to encourage employers to expand their payroll and hire unemployed workers.

We should also carefully analyze all corporate subsidy programs to be sure they have meaningful wage standards and require “first-source” hiring of the long-term unemployed for all new jobs created.

That's what we can do for workers today. But lawmakers should also have tomorrow in mind.

### Support and Protect Workers

The jobs of tomorrow are going to require a robust education system. It's critical now that we ensure funding for the NC Community College system covers increased enrollment.

To increase the number of North Carolinians with post-secondary education, we must maintain low-income students' access to state need-based grants and ensure access to federal student loans on all campuses.

Our businesses rely on well-trained workers, and the community college system is key to training those employees.

Family-friendly workplace policies also benefit the economy. Let's sustain funding for child care subsidies that provide affordable, quality child care for low-income workers. This helps families around the state, and helps employers gain access to valuable employees.

North Carolina should also extend the special provisions that permit unemployed workers to remain eligible for child care subsidies while they look for work and receive training.

## **Improve NC's Health Care System**

A state must be healthy to be prosperous. North Carolina has vital investments in public health that deserve protection. This starts with preserving programs for our most vulnerable individuals and families, like Medicaid and Community Care.

To truly control costs, we need to be sure our people have access to health insurance. Without the Affordable Care Act's individual mandate, studies show that insurance costs would rise by 27 percent by 2019, and 4 million North Carolinians would be excluded from coverage due to pre-existing conditions.

Efforts to block health reform should cease, so we can reduce health costs and improve access for everyone.

In a time of record foreclosures and joblessness, it's also time to protect our state's consumers. Any attempts by the consumer finance industry or other lenders to increase rates and fees on consumer loans must be resisted.

## **Ensure a Sound Basic Education for All Children**

North Carolina's children are the future of the state. We owe it to them – and ourselves – to provide adequate funding for appropriate educational services for all students, including low-income and minority students.

Some common-sense reforms are long overdue. For example, we should establish sensible and effective discipline policies and procedures by banning corporal punishment and reducing unnecessary suspensions. Other common-sense policies need to stay: maintaining the cap on charter schools and defending diversity of schools must also be high priorities.

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

In other states such as Texas, legislators have recognized that second chances build safer communities – and save money.

To build on that example, state leaders should enact the recommendations from the Governor's Street Safe Task Force and the Joint Select Legislative Committee on Ex-Offender Reentry to Society. People with criminal records should have the opportunity to earn their way out from under insurmountable barriers to employment, housing and other services.

Maintaining funding for services, education and job skills training for people in prison and those with criminal records keeps us safer. Two bodies have studied how to make that happen: it's time to implement their recommendations.

These are ambitious, but achievable, goals for lawmakers. Together, we can build a North Carolina with opportunity and prosperity for all.