

Governor Cooper's budget counter offer the first step to taking the high road so all NC communities thrive

NC JUSTICE CENTER FACT SHEET

The Governor has provided a counteroffer after vetoing the Legislative conference budget that failed to make progress towards our state's pressing goals for the well-being of all North Carolinians. This modest first step makes two fundamentally different choices than the Legislative conference budget: 1) it stops tax cuts for big companies so that more investments can be made and 2) it provides health insurance coverage to 500,000 North Carolinians through Medicaid expansion.

	Governor Cooper's Counter Offer	Legislative Conference Budget
Tax cuts for corporations	Stops franchise tax reduction and restores \$107 million in revenue in FY 20, \$255 million in FY 21	Cuts the franchise tax rate, resulting in \$107 million loss in revenue in FY 20 and \$255 million in FY 21
Early childhood programs	Provides \$8 million for NC Pre-K in year 1, \$15 million in year 2; \$10 million for Smart Start programming	Allocates \$1.7 million for NC Pre-K and \$3.5 million in year 2; \$2 million for Smart Start programming
School construction	\$3.5 billion bond, which would provide funds for new buildings and repairs at NC public schools across the state	Relies on 4% of state tax revenue each year for the SCIF, which would provide less than \$500 million for schools over the biennium
Teacher pay	Average pay increase of 8.5% with a raise for every teacher; restores Master's pay	Provides a 3.9% average teacher raise
Environment	Increases investments in environmental quality to \$5 million each year	Invests \$600,000 to study emerging compounds such as PFAS and GenX
State employees	5% raises for state employees including non-certified school personnel, and UNC employees, 4% for community college employees; 2% one-time COLA increase for state employee retirees	5% raises for state employees, 2% for non-certified school personnel and community college employees, 1% for UNC employees; 1% one-time COLA increase for state employee retirees
Health care coverage	Expands Medicaid coverage to more than 500,000 North Carolinians	Fails to expand Medicaid coverage
Health care services	Fully funds existing Medicaid services and the transformation to Medicaid managed care	Reduces funding for existing Medicaid programs and staff by nearly \$63 million