



Representative W. David Guice
North Carolina House of Representatives
District 113



Legislative Update Twelve
June 5, 2009

Brevard, North Carolina – Greetings from Raleigh! I hope this update finds you all doing well and looking forward to the upcoming summer months. As you are well aware we continue to work with the budget in the North Carolina House. I am, once again, going to spend our time together updating you about the budget, based on the latest information presented to me.

Overall things continue to look bleak. As you may have read over the weekend the Eckerd Camp located near DuPont State Forest is facing closure. This closure is due to our current budget situation and will negatively impact youth throughout our region and across the state. This camp and others like it have a great and positive impact on the youth that they serve. The success rates of these camps are tremendous and by cutting them we are doing our youth a great disservice. Additionally, Camp Woodson in Buncombe County will potentially face a similar fate.

I have many concerns about the overall budgetary process in North Carolina. To say that the process is broken does not even begin to describe how bad the whole system is in Raleigh. A few people are writing a budget that will impact our entire state. Questions are not being asked, time to review the budget prior to a vote is not being given, guidance is not being sought from those that are on the ground doing the work and the overall tone is negative. In fact, the current rules of the House do not allow for the necessary discussion at the subcommittee level to address these issues.

Throughout the course of the past few weeks, while we have been working on the budget, many of the lead budget writers have provided information about potential cuts to the media. This has created an environment of panic and fear throughout North Carolina. This is irresponsible and unnecessary. As I have stated before the responsible way to handle this issue is to involve everyone, allow all members of the General Assembly to sit down at the table, to have access to all information and review the budget line by line.

I am still amazed at how random many of these budgetary suggestions seem to be on many of these issues. It is clear to me that the lead budget writers have not talked with anyone on the ground that is actually doing the work each day. The proposed cuts to education, juvenile justice and public safety, health and human services and to mental health will set us back years in North Carolina. Even in difficult times we can find ways to move forward and my friends, the leadership in the North Carolina House has decided not to go that route. This is not a Democrat issue or a Republican issue – this is a North Carolina issue.

All possibilities have not been examined. The idea of streamlining government operations has not thoroughly been researched, limiting executive level salaries has not been addressed and potentially eliminating an entire level of administration has not been addressed and so on and so on. There are endless possibilities – but it will require true leadership to have the hard discussions and look at all options before passing a final budget.

From the current scandal involving former First Lady Mary Easley at North Carolina State University to hundreds of thousands of dollars appropriated over the last few years for a program called *Our Children's Place, Inc* that has never opened to the CEO of the North Carolina Board of Education who makes over \$250,000 per year to the former Provost at North Carolina State University who will continue to earn his \$298,000 annual salary for a period of time despite the fact that he no longer holds that job – the list of irresponsible spending throughout state government is nearly endless. Let me ask you a couple of questions. How responsible is it to potentially layoff over 6,000 teachers throughout our state and still pay the CEO of the State School Board over \$250,000 per year? How responsible is it to consider closing youth development camps, state prisons and substantially reducing funding for public safety when North Carolina State University is still paying hundreds of thousands of dollars to an employee that no longer has his upper level administrative job? I think you and I will agree that this makes no sense at all. It is truly time to change the way we conduct business in Raleigh. This change must begin in the General Assembly.

There is a great deal at stake here – our future and the future of our children and grandchildren. I am determined to continue to fight for those that cannot speak for themselves and return the power of our government to the people. I cannot do it alone – I need your help! It is only by working together that we can truly change the culture in Raleigh. We must listen to those people on the ground doing the work, streamline state government operations and support those programs that have a proven track record of working and eliminate those that do not work. This entire process should happen prior to raising anyone's taxes. We must change the way in which we conduct business throughout state government.

Your input is always appreciated and needed. Thank you for taking the time to contact my office with your questions, comments and concerns. Please do not hesitate to contact me if I can be of service and I invite you to stop by the office next time you are in Raleigh.

Representative W. David Guice
Legislative Building, Room 1015
16 W. Jones Street
Raleigh, NC 27601
919-715-4466
David.Guice@ncleg.net

#



Representative W. David Guice
North Carolina House of Representatives
District 113



Legislative Update Thirteen
June 12, 2009

Brevard, North Carolina – Greetings from Raleigh! This past week was certainly an interesting and historic time in the North Carolina House of Representatives. The entire week was dominated by budget discussions, both at the subcommittee level and on the floor of the House. I want to update you on the version of the budget that passed the House on Saturday, June 13, 2009. I would also like to make it clear throughout this update why I voted against the Appropriations Act of 2009.

Senate Bill 202, the Appropriations Act of 2009, passed the House by a vote of 64-53 early Saturday morning, June 13, 2009 with a combination of programmatic cuts and tax increases. Additionally, over \$1 billion in stimulus money was used to balance the budget. The approved Fiscal Year 2009-2010 budget total is \$18,558,220,699 and the approved budget total for Fiscal Year 2010-2011 is \$19,277,960,253. This legislation now heads to a conference committee, with House and Senate members.

We had the first reading of this bill on Thursday, the second reading on Friday and the third reading just after midnight on Saturday morning. Debate was very intense during the first and second readings of this legislation and I had the opportunity to speak in opposition to the bill on Friday. Below is the full text of the remarks that I made on the floor of the House on Friday, June 12.

Over the past few days I have taken the time to put some of my thoughts and concerns about this budget and this budget process down on paper. I want to share those with you tonight.

Colleagues and friends, I joined this chamber earlier this year with the hope to make a true difference for the people of my district and all people throughout North Carolina. Over the last several months I have come to know many of you and count many of you as friends – across the aisle, regardless of party affiliation. I believe, as many of you do, that we are here for a solemn purpose - to make better the lives of all North Carolinians. I am deeply concerned about the budget proposal we are discussing here tonight. These are historic times in our state and I believe it is important for all of our voices to be heard.

The entire budget writing process is flawed. When I was sworn-in in January I brought with me the experience of being a state employee for over 30 years, a small business owner for over 20 years and a former two-term county commissioner. I have managed my finances personally, professionally and helped to write the budget for 8 years in Transylvania County. I have witnessed things during my short time in this legislative body that I have never seen before personally or professionally. I have seen recommendations, downright pleas, from departmental staff and leaders thrown to the side without giving them the thought they deserve. My friends, we owe the people of North Carolina better.

We have heard and many will continue to say that this budget is a compromise and that those who vote against it are simply supporting more programmatic cuts. To those, I would like to say that this is not nearly that simple. We currently face an economic downturn that many of us in this building have not seen personally and certainly have never had to manage from a legislative perspective. To not allow every voice, every opinion, every question and every concern in this chamber to be heard throughout this process is simply irresponsible. For a select few to write a budget that impacts each person throughout our state is unacceptable. Democrats and Republicans, alike, have been left out of these budget discussions. We learn about budget happenings faster by reading statewide newspapers. Each of us is elected to represent the people of North Carolina and our job is made that much harder when we are not allowed to sit at the table, when we are not allowed to ask the necessary questions and when we are not allowed to engage in the needed discussion about this budget. We owe the people of North Carolina better.

I have received countless email and phone calls from people throughout my district and from all over North Carolina with questions and concerns about the overall budget and specific programs. They are genuinely afraid of the outcome. Many of them even acknowledge that they understand that this budget will set us back years, perhaps decades, as a state. As a former member of the criminal justice system I do not believe that a trial can be carried out through the court of public opinion and I certainly do not believe that a budget can be written by releasing small bits of information to the public simply to scare them. Whether we choose to admit that or not, fear tactics have been used throughout this process to write this budget. That is unacceptable and irresponsible. Those in control of the budget process have not been fair, up front or honest with people throughout our state. We owe the people of North Carolina better.

I know I might be old fashioned, but I believe that to truly write an honest and transparent budget we must look at each item, line by line and make decisions based on priorities. It is important to support our educational system, strengthen our justice and public safety systems, protect the most vulnerable of our population, children and older adults, and work to make progress on issues such as mental health, healthcare and the environment. Throughout this entire process we must also look for ways to reduce the size of state government, streamline government operations and make government more efficient. I do not believe that we have thoroughly discussed our priorities and I certainly do not believe we have looked at ways to streamline state government.

Let me give you a quick scenario as an example. Last fall we elected June Atkinson as the North Carolina Superintendent of Public Instruction. She is paid an annual salary of \$123,198. Governor Perdue appointed William Harrison to the post of Chief Executive Officer of the North Carolina State Board of Education and he is paid an annual salary of \$265,000. At one point this budget proposal talked about eliminating over 6,000 teaching positions, all the while we were going to continue paying two people top level salaries to essentially do the same job. Honestly, what kind of sense does that make? Government is meant to

be a place where the people can come together, present their common problems, find common solutions and then government is supposed to get out of the way. Government is not meant to be a machine that simply creates high paying jobs for people who are really not doing the needed and important work on the ground. My friends, we owe the people of North Carolina better.

I have shared with you tonight just some of the problems I have with this current budget proposal. Let me be clear for all of those that might say I support more cuts. I do not support more frivolous cuts – I support looking at areas of state government where there is waste and then eliminating that waste. And yes, there is waste. I believe in supporting our school teachers, I believe in supporting our law enforcement officers, I believe in supporting those people that are actually on the ground making a difference in the lives of all people throughout North Carolina. I do not; however, believe in supporting high paid positions at the top and perpetuating a government that does not work for the people.

Only history will be the true judge of this process and of our actions. We owe the people of North Carolina better.

Response to these remarks has been overwhelming, both from fellow members of the House and from the general public. People are ready for something new; they are ready to find a better way. If you would like to hear the audio of these remarks and the entire debate on this legislation from Friday please visit www.ncleg.net and click on the “audio archives” link and look for June 13.

Those that supported this budget did so by supporting tax increases that total over \$780,000,000 million and impact businesses and individuals. For example, this legislation increases the overall sales tax by ¼ percent. In addition, sales tax will now be imposed on warranties, installations and repairs, to include automobile repairs. Movie tickets, digital downloads and non-United States Postal Service deliveries will now be taxed. Further, this budget includes fee increases of \$88.7 million in Fiscal Year 2009-2010 and \$104.6 million in Fiscal Year 2010-2011.

Those writing the budget would have us believe that the only way to prevent such deep cuts is to approve the tax and fee increases. They call them “revenue increases” but make no mistake about it – these are increases that we, the people, will be required to pay. I do not believe that you can write a budget fairly by scaring the general public. I also do not believe that all aspects and all corners of government operations have been searched for potential inefficiencies.

I will continue to fight for the people of District 113, not only serving as a vote in the General Assembly, but also as a strong voice for the people. I cannot do it alone though – I need your help. Your input is always appreciated. Thank you for taking the time to contact my office with your questions, comments and concerns. Please do not hesitate to contact me if I can be of service and I invite you to stop by the office next time you are in Raleigh.

Representative W. David Guice
Legislative Building, Room 1015
16 W. Jones Street
Raleigh, NC 27601
919-715-4466
David.Guice@ncleg.net

###



Representative W. David Guice
North Carolina House of Representatives
District 113



Legislative Update Fourteen
June 19, 2009

Brevard, North Carolina – Greetings from Raleigh! My friends, the last few weeks have been extremely interesting in the General Assembly. My goal this week is to update you on some legislation that will directly impact District 113 and continue our discussion about the budget and the budget process.

Let me begin with a few words about Father's Day. I would like to extend a Happy Father's Day to all of our fathers throughout District 113 and all of North Carolina. I am proud of my father, proud of the example he set for me and I am proud of my children, my wife and my entire family. This is a special time for all of us to be together and I pray for blessings on all of our families.

House Bill 206, legislation to create affordable housing for local government employees and teachers in Transylvania County, continues to move through the North Carolina Senate. This past week the bill was reported favorably out of the Senate Committee on Finance and subsequently passed its second reading. The vote, which took place on June 18, was in favor of passage 45-0. This bill is scheduled for its third reading on Monday evening in the Senate.

House Bill 682 passed its second and third readings in the North Carolina Senate this past week. This legislation seeks to adjust the exemptions for local governments in the public contracting statutes based on inflation since the last adjustment seven years ago. The Committee on Commerce in the Senate made a few changes so this bill heads back to the House now for one last look before a final vote. It has been referred to the Committee on Judiciary I in the House and I hope that it will be heard on the floor of the House soon for its final vote.

For the past two weeks I have talked with you about how the budget writing process in our great state is flawed – downright broken. I do not believe that our current budgetary crisis can be fixed by simply cutting without direction or by raising taxes. My friends, there are tax increases coming. The Democrat leadership in the House, Senate and in the Governor's Office are actively advocating for these increases. I do not know the amounts and I do not know what exactly will be increased; however, I want to prepare you all for the reality that these increases are coming.

A report was released recently by the Civitas Institute which outlined many areas of government spending that were spared any cuts throughout this budget process. I encourage you to visit their website, www.nccivitas.org, and review the entire list. I would like to share a few highlights with you this week. For example over \$4 million that are directed to nonprofit agencies for education were not even touched, to include \$2.1 million to the Public School Forum, a public policy think tank. Over \$900,000 that is used for the Historically Underutilized Businesses Division of the Department of Administration was spared; along with \$615,000 for the Human Relations Commission.

The point that I am trying to make by pointing this out is that we cannot responsibly and in good conscious talk about eliminating teaching positions and programs that work if we have not fully evaluated every aspect of state government – completely across the spectrum. And my friends, we have not done that yet. We need leadership on these issues. It is imperative that we look at all options

and involve all voices in this process. We must seek out those programs that do not work and support those programs that do work. This leadership must be present in the North Carolina House, the North Carolina Senate and in the Governor's Office. Each person must participate in this process and take ownership. We cannot write a budget from a position of fear and we must be honest and transparent with this process. As elected officials we are obligated to be good stewards of the taxpayer's dollars.

I cannot do this alone. In order for us to fix this process and truly create a great North Carolina once again we all have to be involved. We all must learn the facts and we all must speak with one voice – to truly stand up and say that we will no longer take this reckless and non-people driven government. We must have the strongest educational system in the United States, we must strengthen our justice and public safety systems, we must recruit top tier jobs – all the while streamlining government and reducing overall government spending in the areas where we can.

I will continue to fight for the people of District 113, not only serving as a vote in the General Assembly, but also as a strong voice for the people. Your input is always appreciated. Thank you for taking the time to contact my office with your questions, comments and concerns. Please do not hesitate to contact me if I can be of service and I invite you to stop by the office next time you are in Raleigh.

Representative W. David Guice
Legislative Building, Room 1015
16 W. Jones Street
Raleigh, NC 27601
919-715-4466
David.Guice@ncleg.net

#



Representative W. David Guice
North Carolina House of Representatives
District 113



Legislative Update Fifteen
June 26, 2009

Brevard, North Carolina – Greetings from Raleigh! Things continue to move with the budget, I'm not sure they are moving forward, but they are certainly moving. I want to talk with you this week about the tax increases proposed by the leadership in the General Assembly, two pieces of legislation that impact District 113 and how you can get involved to make a difference in North Carolina right now.

Did you know that the 1993-1994 certified budget in North Carolina was \$9,317,900,000? The 2010-2011 proposed budget is \$21,649,100,000 which represents a 75.6% increase since 1993-1994. Over the same time period North Carolina's population has only increased by approximately 31%. There are tremendous tax increases and fee increases proposed and championed by the leadership in the General Assembly and the Governor's Office. The fee increases include a fee for law enforcement officers to attend mandatory training, eliminating the tax deduction for paying property taxes and eliminating the deduction for interest on mortgages for second homes. Below I have listed a sampling of some of the proposed tax increases.

- **Increase the sales tax.** Sure thing – that will stimulate the economy.
- **Increase the tax on electricity.** This will impact everyone – including you.
- **Tax on internet purchases.** This applies to music downloads, etc and will cripple the digital economy.
- **Increase the tax on gas.** I thought this was high enough already.
- **Tax on entertainment.** This includes golf fees, movies, gym memberships and summer camps.
- **Tax on overnight shipping.** They are trying to tax you when you make a purchase and when it ships.
- **Tax upper level income brackets.** This is just what an executive wants to hear before they relocate their business to North Carolina.

I have made it very clear in my previous updates and comments that I do not support frivolous program cuts and unnecessary tax and fee increases. These increases will be passed along to all of us – not someone else. The time for you to get involved is now! Your voice must be heard in Raleigh. It is time to rally your friends and family and let your opinion be heard in the halls of the General Assembly.

Please visit www.ncleg.net to see a listing and get the contact information for each of the Conference Committee members. It is important for you to contact them now. They need to hear from you. They need to here how these proposed tax increases are harmful to the people of North Carolina. It is irresponsible and unacceptable for the North Carolina General Assembly and the Governor to kick the people of North Carolina while they are down during these tough economic times.

I will be holding a series of town halls after the Fourth of July and I hope you will be able to attend one of these meetings. I will let you know more information about the times, dates and locations of these meetings as I finalize those details. In order for us to fix this process and truly create a great North Carolina once again we all have to be involved. We all must learn the facts and we all must speak with one voice - to truly stand up and say that we will no longer take this reckless and non-people driven government. These town halls will be an opportunity for you to hear some detailed information about the budget, the budget writing process and other legislative issues facing District 113 and all of North Carolina.

I am proud to report that House Bill 206 and House Bill 682 have passed the North Carolina House of Representatives and the North Carolina Senate. These pieces of legislation will now allow for the creation of affordable housing for local government employees, to include public school teachers, in Transylvania County and adjust the exemptions for local governments in the public contracting statutes based on inflation since the last adjustment seven years ago. Both pieces of legislation represent lots of hard work between local and state officials and they are a perfect example of how government and community can work together to accomplish great things.

I will continue to fight for the people of District 113, not only serving as a vote in the General Assembly, but also as a strong voice for the people. Your input is always appreciated. Thank you for taking the time to contact my office with your questions, comments and concerns. Please do not hesitate to contact me if I can be of service and I invite you to stop by the office next time you are in Raleigh.

Next weekend we will celebrate Independence Day. This is a time for us to remember the importance of the freedoms that we have here in the United States. One of those freedoms is the responsibility to stand up and speak out against those things we do not believe are in the best interest of our future. I, again, encourage you to join with me in this fight against these tax increases and this broken budget process. I plan to be back in the district over the holiday weekend and will try to attend events in all three counties. It is my hope that each of you will enjoy this time with your family and friends and will be safe.

Representative W. David Guice
Legislative Building, Room 1015
16 W. Jones Street
Raleigh, NC 27601
919-715-4466
David.Guice@ncleg.net

#