



## Legislative Update

June 2010

Thank you for your continued interest in the Greensboro Partnership's Governmental Affairs Department. The Partnership's Annual Raleigh Trip took place on Wednesday, May 26, 2010. This year's trip was the Partnership's 5th annual and a smashing success! The weather was perfect and the attendance of General Assembly members to lunch on the lawn was the largest to date. We look forward to our trip for next year and we hope you will make plans to join us for this excellent opportunity to see your State government at work while also supporting economic development opportunities in Greensboro and throughout the Piedmont Triad.

The General Assembly convened for its short session on May 12, 2010 and the session has moved extraordinarily quickly over the past month. The Senate passed its budget on May 20. The House passed its version on June 4. Both budgets make numerous cuts to current state funding, a reflection of the persistent struggling economy, bringing the total budget from \$19.6 B this year to \$18.9 B effective July 1, 2010. Generally, the Senate plan protects UNC System funding while the House plan provides more for K-12 education, specifically preserving classroom personnel. As a result, the House plan makes what many believe to be devastating cuts to the UNC System.

This week, the Senate failed to concur with the House's changes to the budget bill, and a conference committee composed of both House and Senate budget writers has been appointed to resolve the differences between the two spending plans, as well as the Governor's recommendations. Of course, the goal is to have a final budget in place no later than the start of the new fiscal year on July 1.

As always, if you have a policy issue, which concerns your business, we would like to hear from you. Please contact the Governmental Affairs staff and alert us to your concern.

Sincerely,

Jason Cannon  
VP, Governmental Affairs

### Save the Date! 2010 events

**August 25-** State of Our Community

**October 6-** Women's Executive Connection

**October 13-** Economic Development Candidates' Forum

**October 28 -** 2010 Annual Elected Officials Reception

## *Legislative Agenda and Progress Made in the Budget Process*

### **STATE PRIORITIES:**

#### *Transportation*

##### **Urban Loop Right-of-Way**

- Rep. Nelson Cole has filed and is shepherding HB 1734, entitled "DOT Powers and Duties Changes", through the legislative process. The bill makes a host of statutory changes within NCDOT, but specifically includes the granting of authority for NCDOT to enter into agreements with local governments to receive funds for right-of-way acquisition. The bill passed out of the House this week and now awaits consideration in the Senate. This statutory change would allow the proposal for the City of Greensboro to loan funds to NCDOT to acquire the right-of-way on the incomplete portions of the Greensboro Urban Loop to proceed.

##### **Yadkin River Bridge**

- The House budget does include (the Senate budget did not) the establishment of a NC Mobility Fund, as originally recommended by the Governor. Although the funding stream in the House proposal differs from the Governor's recommendation, the Fund diverts transportation funding from the normal equity funding process and concentrates these funds on highly traveled/high urban areas where increased mobility is paramount. The first project the Fund would complete would be the Yadkin River Bridge project.

#### *UNCG/NC A&T Joint School of Nanoscience & Nanoengineering*

- Despite the various cuts across most all of state government, the Joint School has been identified within the House budget as an investment toward economic development and recovery. \$1 million in new, recurring funding has been included in the House version of the budget. The Senate budget did not include funding for this initiative, so this item will be in contention during the conference process.

#### *NC A&T College of Engineering (COE)*

- Also designated as a project aimed at driving economic recovery, the College of Engineering at NC A&T State University has been included in the House budget for \$1M in new, recurring funding. As with the JSNN funding, this project did not receive funding under the Senate budget, so this item will also be in contention during the conference process.

#### *High Point Furniture Market*

- Funding for the High Point Furniture Market has fared very well under both the Senate and House budgets. Under both plans, the Market is slated to receive full funding for transportation at \$1.2 M and \$806,479 (a 5% decrease from the current fiscal year) in funding dedicated for marketing and promotion.

## *Senate Debt Package*

- The Senate approved a COPs package last week authorizing the issuance of \$451M in new debt. Approximately \$105 M of this funding would construct a new Engineering Research Facility at NC A&T State University. The package would also fund construction of a similar engineering facility at NC State University as well as provide funding for science and medical equipment to assist with job training at community colleges across the state. Although the Senate easily approved the measure, the proposal is anticipated to have an uphill battle in the House. Many members have expressed concern that financing this project would place the State beyond its self-imposed debt ceiling, which can impact the State's overall bond ratings. According to a debt affordability study released earlier this year by the State Treasurer, North Carolina cannot afford to issue any new debt for the next 3 years without threatening the maximum debt threshold set by the General Assembly. We will continue to watch this issue very closely as the session proceeds.



The Greensboro Partnership is the principal economic and community development organization in Greensboro, NC. The Partnership works to strategically develop a vibrant community that creates, expands and attracts business while advancing the quality of life for all. The Greensboro Chamber of Commerce, Greensboro Economic Development Alliance, and Action Greensboro are all members of the Partnership.

Visit us online at:

[www.greensboropartnership.com](http://www.greensboropartnership.com)

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