

Budget Calls For Higher Usage Fees

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ALTHOUGH A SMALL PART OF NORTH CAROLINA'S REVENUE, RISING FEES WILL BE A BOOST FOR THE STATE'S SPENDING PLAN.

The costs to visit a state park, operate a nursing home and obtain a driver's license are going up.

Taxes receive the most attention in any budget, but the latest annual spending plan for North Carolina balances in part on higher fees.

The state will collect an additional \$10.2 million through fees during fiscal 2003-04, according to analysts at the General Assembly.

That amount, which does not reflect the annual adjustment to the state's public-utility and insurance regulatory fees, is dwarfed when compared to the money expected from changes to the tax code. Lawmakers extended two temporary levies - a half-percentage point on the sales-tax rate and an 8.25 percent rate on wealthier North Carolinians' incomes - to net about \$380 million.

"Those fee increases are very, very small," said state Sen. Kay Hagan, D-Guilford, a Senate Appropriations Committee co-chairwoman. "Some haven't been changed for years and years."

Mandy Rafool with the National Conference of State Legislatures said fee hikes are increasingly popular among lawmakers who dislike voting to raise taxes to pay for government services.

"It's more politically palatable," Rafool said.

Visitors to North Carolina state parks will face bigger use fees starting in January. The budget authorizes the state Department of Environment and Natural Resources to increase the charges to collect about \$233,000 for the fiscal year.

Department spokeswoman Johanna Reese said hikes will include entrance fees going up from \$4 to \$5 and nightly camping fees jumping from \$12 to \$15.

Motorists who want to partake in off-road driving at the Fort Fisher State Recreation Area beach south of Wilmington also will face a charge starting this winter.

Reese said the driving permits - \$40 for the year - will give the department "a better idea" of how many motorists are taking advantage of this privilege.

Other state-run attractions may be more expensive in the coming months.

Budget-writers added a provision that allows the state Department of Cultural Resources to charge a "reasonable admission fee" to any of its museums - including the art and history centers in Raleigh. Proceeds would go toward operating the facilities.

The department has no immediate plans to impose admission fees, said spokeswoman Brenda Follmer.

However, lawmakers have recommended trimming roughly \$40,000 from the Cultural Resources budget in fiscal 2004-05 with the idea that fee receipts would cover the rest.

The budget also sets up annual licensing fees for medical facilities. For example, adult-care homes with six or fewer beds will be assessed \$125 by the state Department of Health and Human Services, with larger centers facing a \$175 bill plus \$6.25 per bed.

A base \$225 fee will hit nursing homes, while ambulatory surgical facilities are about to encounter an annual \$350 charge. Places that perform abortions will have to pay \$350, according to the budget.

Craig Souza, president of the N.C. Health Care Facilities Association, said his group opposed the charges but did not expect patients to bear the brunt.

"It's just another fee we have to pay in a tight economic situation," Souza said last week.

Also in the budget, driver's license fees will increase slightly. Class C permits - those issued to general motorists - will cost \$3 a year, up from \$2.50.

The fees have not changed for more than two decades, said Bill Jones, a state Department of Transportation spokesman.