

Easley Signs State Budget That Includes Transfer Tax

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Gov. Mike Easley on Tuesday signed the \$20.7 billion state budget.

In a release, Easley touted the budget's billion-dollar increase in education spending, including a \$100 million higher-education scholarship program for poor students and the \$56 million expansion of his pet preschool program, More at Four.

Easley also praised the budget's expansion of "local government options to deal with growth" - referring to the legislature's approval of a land-transfer tax that has been opposed vehemently by the state's real-estate agents.

In more business-related matters, the budget includes allocations of more than \$18 million for the One North Carolina economic-development program.

And the North Carolina Biotechnology Center, after wrangling between House and Senate budget leaders, got \$3 million it had been seeking to fund new "regional innovation centers" for research. The Biotech Center, along with the state Department of Agriculture, will help run the new North Carolina Biofuels Center in Oxford, which will receive \$5 million.

The budget also provides \$86.2 million in the 2007-08 fiscal year and \$271.2 million in the 2008-09 fiscal year to relieve county governments of their share of Medicaid costs. The state plans to gradually take over the entire cost of the program.