

# Approving Another Bad State Budget

**BYLINE:** Chapel Hill Herald

**SECTION:** EDITORIAL; Pg. 2

**DATE:** August 7, 2007

With all the scandals that have discredited the North Carolina General Assembly lately, many residents may have come to believe that our lawmakers can't accomplish anything.

Sadly, they have proven to be all too capable of one thing: spending our money.

Perhaps the most disappointing provision is the one that allows counties to raise taxes on home sales to 0.6 percent. That translates to an increase of \$400 on a \$100,000 home. For first-time home buyers struggling to scrape together a down payment, \$400 can mean the difference between qualifying for a home and being shut out of the American dream.

The tax will also make it more difficult for home sellers. With the housing market struggling the way it is, one might think lawmakers would refrain from attacking that segment of our economy.

The one bright spot in this budget is that it phases out the counties' Medicaid expenses by mid-2009.

For years, North Carolina has been one of only a few states to force counties to pay a portion of Medicaid costs.

Despite that one bright spot, this is still a bad budget. It hikes spending by a factor much greater than inflation. In fact, it expands state government by a whopping 9.5 percent.

The lawmakers do want more of our money. Then as they spend our money they can claim to be giving us stuff. They are, in fact, using our money to buy our votes.

Then again, why shouldn't they? Because the scheme works. The big-spending politicians continue to get re-elected.

The one person who did well with this budget is Gov. Easley.

He gets \$56 million annually for the next two years to expand his pet program, More at Four, a prekindergarten program which has not been proven to actually help 4-year-olds prepare for kindergarten.

And then there's \$37.5 million to help reduce class sizes in early grades. That money was supposed to come from the lottery. But with lower-than-expected ticket sales, taxpayers are being forced to fill that gap.

So what does this budget do about the lottery's poor performance? It allows higher prize payouts as a way to boost ticket sales. Again, bad idea.

In short, another bad budget from lawmakers who have proven all-to-skillful at spending our money.