

Are state agencies waiting to disclose data breaches?



PAGE 6

Former Cardinal execs in the cross hairs



PAGE 8

Is going 100 percent renewable even possible?



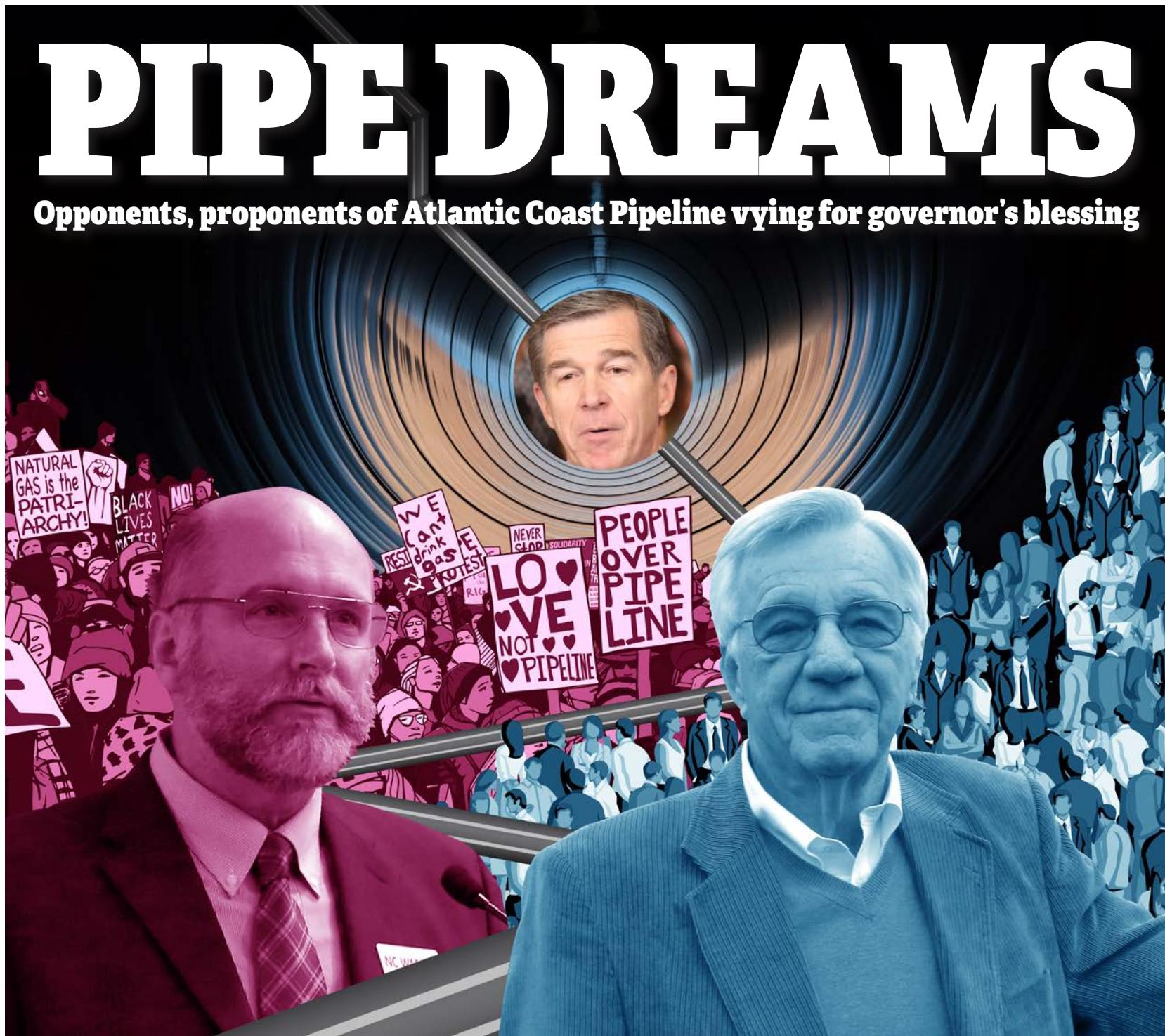
PAGE 10

CAROLINA JOURNAL

A MONTHLY JOURNAL OF NEWS, ANALYSIS, AND OPINION FROM THE JOHN LOCKE FOUNDATION CAROLINAJOURNAL.COM VOL. 27 • NO. 1 • JANUARY 2018 • STATEWIDE EDITION

PIPE DREAMS

Opponents, proponents of Atlantic Coast Pipeline vying for governor's blessing



DON CARRINGTON
EXECUTIVE EDITOR

The Atlantic Coast Pipeline cuts a 600-mile underground swath through three states, beginning in Harrison County, West Virginia. It branches out to Chesapeake, Virginia, and also continues south near Roanoke Rapids and heads to Pembroke — traversing counties such as Nash and Cumberland before settling in Robeson.

The route keeps company with Interstate 95, running alongside the major thoroughfare through down-on-their-luck towns once rich in tobacco and textiles. Towns now looking for a fresh breath, a new way.

On each side of the pipeline stand groups of people for and against the project, each side knowing it's right and sure its adversary is misguided and foolhardy.

Proponents say the pipeline will bring jobs and a renewed economic vitality. That new, fresh life.

Tony Copeland, the N.C. secretary of Commerce who serves under a Democratic governor, said as much during a speech for the N.C. FreeEnterprise Foundation in December.

Opponents say otherwise.

continued PAGE 12



Interview with Bryan Riley

Heritage Foundation policy analyst defends free trade.

PAGE 18

CAROLINA JOURNAL
200 W. MORGAN STREET, #200
RALEIGH, NC 27601

CJ ONLINE

jlf.carolinajournal.com
[@carolinajournal](https://twitter.com/carolinajournal)
www.carolinajournal.com
editor@carolinajournal.com

NONPROFIT ORG.
U.S. POSTAGE
PAID
DURHAM, NC
PERMIT NO. 302

QUICK TAKES



EDITOR-IN-CHIEF

Rick Henderson
@deregulator

MANAGING EDITOR

John Trump
@stillnbarrel

EXECUTIVE EDITOR

Don Carrington
dcarrington@carolinajournal.com

ASSOCIATE EDITORS

Mitch Kokai
@mitchkokai

Lindsay Marchello
@LynnMarch007

Kari Travis
@karilyntravis

Dan Way
@danway_carolina

DESIGNER

Greg de Deugd
@gdedeugd

PUBLISHED BY



The John Locke Foundation
200 W. Morgan St., # 200
Raleigh, N.C. 27601
(919) 828-3876 • Fax: 821-5117
www.JohnLocke.org

Kory Swanson
President & Publisher

John Hood
Chairman

Bill Graham, John M. Hood
Ted Hicks, Christine Mele
Brad Muller, Paul Slobodian
David Stover, J.M. Bryan Taylor
Edwin Thomas
Board of Directors

Carolina Journal is a monthly journal of news, analysis, and commentary on state and local government and public policy issues in North Carolina.

©2017 by The John Locke Foundation Inc. All opinions expressed in bylined articles are those of the authors and do not necessarily reflect the views of the editors of CJ or the staff and board of the John Locke Foundation. Material published herein may be reprinted as long as appropriate credit is given. Submissions and letters are welcome and should be directed to the editor.

To subscribe, call 919-828-3876. Readers also can request Carolina Journal Weekly Report, delivered each weekend by e-mail, or visit CarolinaJournal.com for news, links, and exclusive content updated each weekday. Those interested in education, economics, higher education, health care or local government also can ask to receive weekly e-letters covering these issues.

High Point rounding third in effort to bring taxpayer-funded stadium home

HIGH POINT IS closer to getting a professional baseball team.

The state Local Government Commission has approved up to \$35 million in limited-obligation bonds to build a multi-use stadium. The Guilford County Board of Commissioners has yet to approve the city's request for county revenue.

City resident James Adams objected to using public money on what he and others believe is a risky venture.

"I am not against the stadium," Adams said. He opposes the construction rush to host the unaffiliated Bridgeport Bluefish team for the 2019 season.

"Shouldn't the community have a voice in matters such as this?" Adams asked, suggesting the bond package be part of a ballot referendum.

Local Government Commission secretary Greg Gaskins said the city met commission minimum requirements for bond approval, to be paid back over 20 years. Standard & Poor's lists the city's bond rating at AA+. Fitch rates it AA-. The city already paid \$16 million in land acquisition and other upfront costs.

Frank Boulton of New York owns

the Bluefish team, which is losing its stadium in Connecticut and will be strictly a road team in 2018. A non-profit ownership group has been assembled in High Point to acquire the team. A sports foundation was formed, and it would pay any stadium costs above the \$35 million bond cap.

The Bluefish play in the Atlantic League, which isn't affiliated with Major League Baseball. The team would split its 140-game schedule evenly at home and on the road once a stadium is built.

Nearby Thomasville, Greensboro, and Winston-Salem all field professional baseball teams.

But City Manager Greg Demko said studies show a potential market of 230,000 people, mostly south of High Point around Archdale, High Point, and Trinity. Data show those areas have higher median income than Greensboro and Winston-Salem to the north, and their residents are unlikely patrons of the existing baseball teams.

Demko told the Local Government Commission that bringing the Bluefish to High Point is vital to revitalizing the downtown core. The prospect already generated local



STADIUM. Artist rendering of the proposed High Point stadium complex.

commitments to build a children's museum, events center, park, hotel, and 200 apartments encircling the stadium, with plans for restaurants and retail shops.

City officials aren't sure why Guilford County has yet to vote to support the project, but its contribution isn't needed to make the deal

work. High Point wants the county to plow any tax revenue generated from development of a 649-acre economic development zone into bond repayments. The county has said it needs more time to vet the proposal.

From Staff Reports

Two education groups in running to manage Southside Ashpole Elementary

Innovative School District Superintendent Eric Hall said Achievement for All Children and the Romine Group are in the running to manage Southside Ashpole Elementary, North Carolina's first ISD school.

SchoolWorks, an independent third-party agency, was hired to evaluate the applicants. Hall made the announcement during the N.C. State Board of Education meeting Dec. 6.

The ISD — originally called the Achievement School District — places some of the lowest-performing schools in North Carolina under management of charter or education organizations. The goal is to improve student performance through greater flexibility. Either Achievement for All Children or the Romine Group will contract with the SBE for five years to manage Southside Ashpole.

The deadline for operators to apply for the ISD was Dec. 1., but only two organizations submitted applications. This was expected, Hall

said, because the ISD program is fairly new.

The Romine Group, a charter school management group from Utica, Michigan, operates more than two dozen schools. Founded by John Romine in 1996, it's accredited through AdvancED, a nonprofit, non-partisan accrediting agency.

Achievement for All Children is a nonprofit corporation in Charlotte. The group's CEO, Tony Helton, is also CEO of TeamCFA, a nonprofit network of public charter schools.

The board of directors includes Darrell Allison, founding president of Parents for Educational Freedom in North Carolina, and former Mecklenburg state Rep. Rob Bryan, a Republican who led efforts to get the ISD bill through the General Assembly.

SchoolWorks is expected to complete its evaluation between Jan. 15 and Feb. 1. Hall will then choose who manages Southside Ashpole Elementary, but only if the Robeson County school board approves a res-



ERIC HALL, superintendent of the North Carolina Innovative School District.

olution transferring it to the ISD.

"Schoolworks will be reviewing and evaluating their applications, looking at their credibility, their capacity, and their history of success," Hall explained. "My hope is that when we come back in January to report to the board ... we will have an

update on their evaluation."

Hall said the Friday Institute for Educational Innovation would evaluate the impact of the ISD on school performance in the schools chosen for the program.

From Staff Reports

QUICK TAKES

Addressing the ‘most dangerous and violent year in N.C. corrections history’

The N.C. Department of Public Safety must reform staffing and safety measures in light of spiking prison violence across the state, experts say.

The department should hire new executives for adult and juvenile corrections, increase salaries, and recruit new prison staffers, among other things, said Duke University researchers who presented a report to the N.C. Governor’s Crime Commission on Dec. 7.

Researchers interviewed prison leaders from Indiana, Ohio, Tennessee, Pennsylvania, Georgia, Oregon, and Michigan.

The report outlined nine recommendations for DPS, all of which were grouped into three categories: invest in personnel, establish cohesive organizational culture, and improve facility safety. Most notable were employee “wellness programs,” increased perimeter security, and a yearlong program to strip prisoners of cell phone contraband.

The recommendations are just one response to what DPS Secretary Erik Hooks calls “the most dangerous and violent year in North Carolina corrections history.”

Chaos erupted Oct. 12 during an escape attempt at Pasquotank Correctional Institution. Inmates at a prison sewing plant stabbed and battered guards with scissors and hammers. Prisoners set fire to the facility.

Four employees died. Eight officers and four inmates were injured. Four inmates were charged with first-degree murder.

David Guice, chief deputy secretary for adult correction and juvenile justice since 2013, resigned shortly thereafter.

Events at Pasquotank aren’t isolated.



DPS SECRETARY ERIK HOOKS: This has been “the most dangerous and violent year in North Carolina corrections history.”

An April altercation at Bertie Correctional Institution left a 29-year-old sergeant dead after an inmate beat her with a fire extinguisher.

Problems extend years into the past. In September 2012, inmates at Lanesboro Correctional Institution stabbed a member of a rival gang 13 times with crude shank knives. The event is just one of many investigated by the *Charlotte Observer* since 2015.

“We are looking for solutions. We didn’t create this problem, I understand that, but it’s our responsibility, and I’m the first to recognize that the buck stops here,” Hooks told crime commission members.

It will be tough to implement reforms across North Carolina’s 55

prisons, but DPS is committed to protecting its corrections staffers, said Kenneth Lassiter, director of prisons.

“This didn’t happen overnight,” he said. “One of my managers said the other day, ... ‘We work at a nuclear plant every day. We work with bombs every day, and we never know which one is going off.’ And that’s important in our decisions. You cannot predict human behavior.”

“It is the job of the state to recognize that this is a dangerous profession, and these people just want to go home to their families,” he concluded.

From Staff Reports

North Carolina’s ‘rainy day’ reserves meet Pew Charitable Trusts best practices

North Carolina is the only state meeting all of the Pew Charitable Trusts best or good practices in taking care of its “rainy day” reserves.

North Carolina’s reserve requires the state to set aside 15 percent of projected revenue growth to the reserve at the beginning of each fiscal year, and there are clear and objective conditions for withdrawals.

Sen. Brent Jackson, R-Duplin, mentioned the Pew study during a speech Dec. 6 during a luncheon hosted by the N.C. FreeEnterprise Foundation.

The Pew Charitable Trusts is an independent nonprofit focused on providing research and analysis on a slew of public policy subjects. Since 2014, Pew has released several reports on best practices for rainy day funds.

North Carolina became one of six states during this year’s legislative session to reform its rules concerning the reserves. House Bill 7 passed almost unanimously with bipartisan support. Pew gave its support for the bill and emphasized the four areas of H.B. 7 that matched Pew’s best practices. The bill:

- Created a savings deposit rule tied to revenue growth,
- Defined clear and objective conditions for fund use,
- Established an evidence-based savings target, and
- Provided a means to re-evaluate rules governing the fund.

These practices include defining clear rules for depositing and withdrawing money from the re-

serves. According to Pew, deposits should be tied to economic growth or revenue. Withdrawals should be reserved for economic or revenue fluctuations.

“Rainy day funds are a really great way to smooth out the volatility of the business cycle,” said Stephen Bailey, senior associate at Pew Charitable Trusts. “You’re making sure that when another Great Recession happens or a more milder recession, there is enough money in reserve to fund programs that the state cares about the most at all points of the business cycle.”

Pew recommends basing the maximum size of the fund on past revenue fluctuations. The fund should be large enough so that states can withdraw enough to offset a major recession, but not too large that it takes away from programs or could be used for tax cuts.

“What the bill did was create four distinct withdrawal conditions for when the funds could be withdrawn. It is tied to when revenue drops below zero, when revenue misses the forecast, to pay for the cost incurred by a court or administrative order, and to provide relief for an emergency.”

If one of those conditions is met, then a simple majority vote from the House and Senate is needed to withdraw from the fund. A two-thirds vote is required if the state wants to withdraw money exceeding 7.5 percent of the previous year’s General Fund budget.

From Staff Reports

New website makes info from school report cards easier to get

PARENTS, EDUCATORS, and the general public now have easier access to North Carolina school report cards. State Superintendent Mark Johnson announced at the Dec. 5 Winston-Salem/Forsyth County Schools district leadership meeting that schoolreportcards.nc.gov is now available.

“This brand-new website provides the transparency parents and educators need into the characteristics and performance of North Carolina’s public schools, all in an easy-to-use format,” said Johnson in a press release. “As a parent, I believe this is the kind of information the

public needs about our schools, in an accessible format we can all understand.”

The website includes up-to-date school- and district-level data from all public schools in the state, including charter and alternative schools. The website publishes student performance, teacher qualifications, school environment, and financial data.

The site is accessible on mobile devices. And it offers two new features: Information about career and technical education is posted so readers can see what courses are offered and how many indus-

try-recognized credentials students have earned. In addition, the student readiness indicator shows the percentage of students entering the lowest grade of a school who were proficient in both reading and math at the end of the previous year.

Side-by-side comparisons of schools also are available. But Johnson cautioned against using the data to rank schools because individual schools have different structures and demographic makeups.

The Foundation for Excellence in Education (ExceInEd), a nonprofit education reform group founded by former Florida Gov. Jeb Bush,

praised the new user-friendly website.

“North Carolina has long been known for its strong school accountability system, but until today, parents often had to dig through pages of data to find out how their children’s schools were actually doing,” said Patricia Levesque, CEO of ExceInEd. “Now, all of that information is available in one easy-to-browse page. This is a tremendous step forward for anyone who wants to better understand how North Carolina schools are serving students.”

From Staff Reports



QUICK TAKES

North Carolina doing OK but still has work to do, national assessment says

NORTH CAROLINA DOES generally well according to national education standards, peers say, but it needs to take better advantage of opportunities to improve.

North Carolina scored highest in federal goals related to supporting schools and continuous improvement categories, according to peer reviews of the 34 states that submitted Every Student Succeeds Act plans this past fall.

But in nine categories, North Carolina scored lowest in academic progress and exiting improvement status. North Carolina scored about average in the standards and assessments, indicators, all students, and identifying schools categories.

ESSA is a revised version of No Child Left Behind, a 2002 law intended to improve education standards across the country. Under the 2015 law, states were required to form ESSA draft plans and submit them to the U.S. Department of Education to receive federal funding. The ESSA plans are supposed to detail how state and local education agencies will work to improve student performance and hold schools accountable for those grades. North Carolina submitted its plan Sept. 18.



Bellwether Education Partners and Collaborative for Student Success released the reviews. The two nonprofit education consulting groups enlisted 40 bipartisan state and national education experts to review each state's plan.

"Our goal was to provide constructive, straightforward informa-

tion to state education agencies and advocates in an effort to strengthen state plans and to inform parents so that they could engage with their state policymakers," said Jim Cowen, executive director of the Collaborative for Student Success.

"We hoped that with extra time and resources given to the 34 states

that submitted in the fall, plans would incorporate more best practices and innovative ideas. Unfortunately, many states like North Carolina failed to use this extra time and information to strengthen their plans." Scott Sargrad, managing director of K-12 education policy at the left-leaning Center for American Progress and a reviewer who looked at North Carolina's ESSA plan.

"North Carolina was one of the few states that had a really impressive and thoughtful plan for what they were going to do if schools were really struggling," Sargrad said. "They really described a comprehensive system of support for these struggling schools."

According to peer reviewers, North Carolina's ESSA plan is grounded in robust data and includes strong emphasis on academic achievement indicators.

Sargrad, though, said North Carolina doesn't seem to be taking advantage of the opportunity to broaden the definition of school quality and student success as measures holding schools accountable beyond test scores and graduation rates.

"Other states have taken on looking at measures of college and

career readiness and taking and passing AP courses and looking at chronic absenteeism," Sargrad said. "North Carolina doesn't seem ready to do that, but they did talk in their plan that the state wants to study some of those other indicators and possibly add some later, so it's kind of a missed opportunity for now."

Compared to other states, North Carolina excelled in the section of supporting schools, he said.

While North Carolina's ESSA plan had some highlights, it also had areas for improvement. The peer reviewers suggest North Carolina's proposed system gives too much credit to achievement today relative to progress over time. This pushes schools to focus narrowly on current student proficiency scores. In turn, the proposed system fails to recognize low-performing schools making rapid, significant progress.

"The nice thing is that states have the opportunity to continue to make adjustments and improve what they are doing and learn from how things are going to change what's in the plan or change their strategies," Sargrad said.

From Staff Reports

UNC Center for Civil Rights breaking away from university

The University of North Carolina Law School's Center for Civil Rights is cutting ties with the university system.

Center lawyers Mark Dorosin and Elizabeth Haddix, who were fired Nov. 30, have filed paperwork moving the organization from under the UNC umbrella. The new center, renamed after famed civil rights lawyer Julius L. Chambers, is a nonprofit law firm. It will continue to accept law school interns, Haddix said.

For months, controversy swirled around the center. In mid-November, the North Carolina State Bar issued a "letter of caution" calling the center's law practice illegal.

State law prohibits corporations "other than law firms and certain tax-exempt corporations from providing legal services to other persons, firms, or corporations," wrote Alan Hicks, chairman of the bar's Authorized Practice Committee.

"The university is not a corpo-

ration authorized to practice law under those statutes. The center, as a constituent of the university and not a separate entity, is likewise not a corporation authorized to provide legal services."

Two months earlier, the UNC Board of Governors voted to ban the center from filing lawsuits. For more than 15 years, the CCR offered internships to UNC law students, allowing them to work cases for low-income and minority clients. It filed lawsuits against cities, counties, and even school boards, using law students and outside attorneys.

A state organization should not be allowed to sue other state entities, board members said.

The CCR wrongly operated as though it were a legal clinic governed by the American Bar Association, said Board of Governors member Steve Long. Academic centers are not ABA legal clinics, and therefore should not litigate, he

said.

Long, a Republican, engineered the proposal that blocked the center from legal activity, stirring the ire of the center's liberal supporters.

The board's decision was politically motivated, Dorosin repeatedly claimed.

Politics played no role in the litigation ban, Long told *Carolina Journal* during multiple interviews. The board supports the center's capacity to litigate — as long as it isn't affiliated with UNC, he said.

The Chambers Center will retain clients it acquired while at UNC, Haddix told Spectrum News Dec. 3. It will accept law interns from universities across North Carolina.

"Despite the fact that we're not at UNC anymore, we're still in the struggle. We're still committed to the work," Dorosin told Spectrum News.

From Staff Reports



UNC SCHOOL OF LAW. Amid controversy, the University of North Carolina Law School's Center for Civil Rights is cutting ties with the university system.

FILE PHOTO

QUICK TAKES

Occupational licensing inhibits interstate migration, new study shows

OCCUPATIONAL LICENSING rules may be keeping people from moving across state lines and toward job opportunities, a new study from the National Bureau of Economic Research suggests.

University of Minnesota professors Janna Johnson and Morris Kleiner published a study linking state-specific licensing to reduced migration rates of people with jobs requiring licensing.

The pair analyzed 22 licensed occupations and found the migration rate for individuals in those state-specific licensed jobs was 36 percent lower than those in other occupations.

“We don’t know if this reduced migration is restricting licensed individuals’ ability to respond to unexpected events, such as job loss or an increase in demand for their occupation in another state,” Johnson explained. “This is a question for future research.”

While a handful of states have reciprocity agreements, most states still require people to take state ex-



While a handful of states have reciprocity agreements, most states still require people to take state exams, pay fees, or spend a certain number of hours in training.

ams, pay fees, or spend a certain number of hours in training.

Some of North Carolina’s licensing boards have reciprocity agreements, such as the State Board of Certified Public Accountant Examiners. But others, such as the Department of Public Instruction, don’t have full reciprocity with other states. A licensed teacher with decades of experience wouldn’t be allowed to teach in a North Carolina public school without first obtaining a new license.

“The prospect of fulfilling those requirements may be enough of a

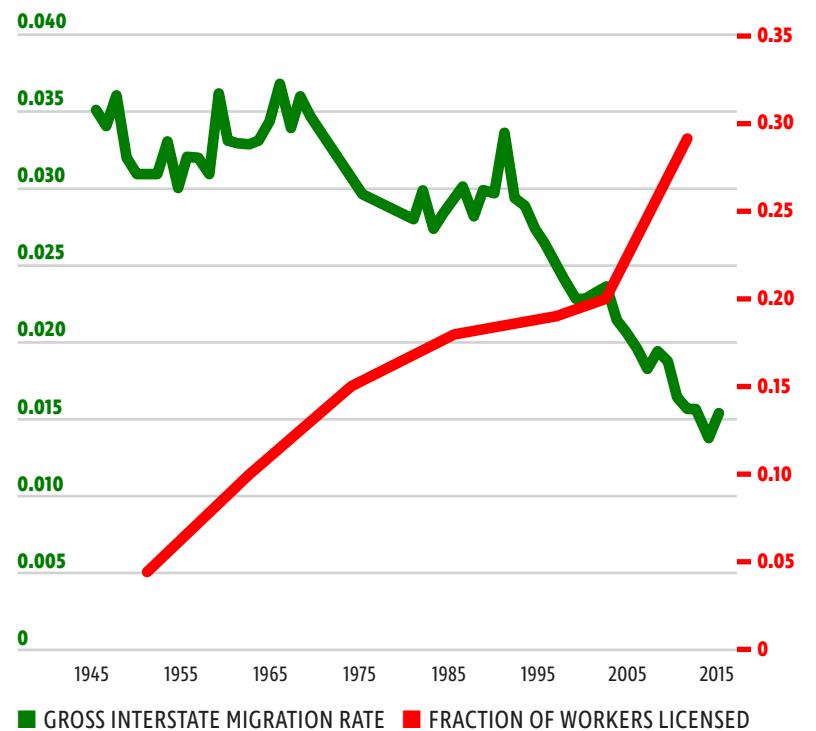
deterrent to out-of-state teachers considering relocating to North Carolina, particularly if they are entertaining offers from districts in multiple states,” Terry Stoops, John Locke Foundation vice president for research and director of education studies, explained in a report.

Rolling back requirements on occupational licensing may be beneficial, say Johnson and Kleiner, who suggest the move “has the potential to enhance labor market fluidity, increase the efficiency of the labor market, and raise the earnings of regulated workers.”

“In theory, reciprocity agreements should help reduce the cost of relicensure for individuals in licensed occupations who move between states,” Johnson said. “Whether reciprocity agreements reduce relicensure costs enough to influence licensed individuals’ ability to move across states in all affected occupations is a question left for future research.”

From Staff Reports

Interstate Migration Rates and Occupational Licensure



SOURCE: Research Division, Federal Reserve Bank of Minneapolis

UNC board approves free-speech policy

The University of North Carolina Board of Governors approved a free-speech policy that allows for termination of professors and expulsion of students.

The policy, approved Dec. 15, outlines the kind of speech that isn’t protected, which includes unlawful harassment, true and credible threats, or unjustifiable invasions of privacy. Most notably, the policy prohibits any action “materially and substantially disruptive” of the UNC General Administration or any other entity of the university system. Speech, such as a particularly disruptive protest that substantially interferes with the protected free expression rights of others, would violate the policy.

UNC system President Margaret Spellings said the policy is workable.

“We’re not going to see anything that causes major heartburn on campuses relative to free speech or protests,” Spellings said.

Generation Opportunity, a Millennial-oriented group promoting economic and social freedom, praised the UNC BOG for adopting the free-speech policy.

“Protecting and promoting free speech on campus will improve the academic and social climate at North Carolina’s publicly funded colleges and universities and will better prepare students for life after they graduate,” spokeswoman Anna Beavon Gravely said in a press release. “The ability to freely ex-

change ideas is crucial to having a meaningful debate about any issue, and we applaud the UNC Board of Governors for doing the right thing by standing up for the First Amendment rights of students across our great state.”

Earlier this year, the General Assembly approved legislation requiring the UNC system to adopt a uniform free-speech policy. The law also required board members to form a Committee on Free Expression to oversee university compliance. House Bill 527, otherwise known as Restore/Preserve Campus Free Speech, became law in August without Gov. Roy Cooper’s signature.

“The University’s role in supporting and encouraging freedom of inquiry requires assuring opportunities for the expression of differing views regarding many issues in multiple areas of study, research, and debate, including current political and social issues,” the policy says.

Universities will have discretion to decide on punishment for those who break the rules. Students could face suspension or expulsion from their university, and in extreme cases professors who repeatedly violate the policy could be terminated.

The N.C. chapter of the Association of American University Professors and the American Civil Liberties Union of North Carolina have opposed the policy.

“Peaceful protesters chanting outside an event being held in a campus building could be shut down



SPEECH VERSUS SPEECH. Disruptive protest that substantially interferes with the protected free expression rights of others would violate the policy.

and face harsh consequences, not for blocking an entrance or shouting violent threats, but for simply chanting loudly outside,” the ACLU argued in a press release. “And if any of the protesters had violated the policy before, they would face a harsher punishment that could include suspension or expulsion.”

Despite the opposition, the board passed the policy as part of its

“consent agenda,” meaning it was approved without being discussed separately at the Dec. 15 meeting.

Steve Long, a board member who chairs the University Governance Committee, said students still will be able to protest on campus but won’t be allowed to prevent others from exercising their First Amendment rights.

“All sorts of protests have hap-

pened at campuses, and what this policy does is to say, ‘We really support your right to protest,’ but when it comes to disrupting a public meeting, that crosses a line,” Long said. “It starts infringing on the rights of other people that are there, and it does not promote a civil discourse that we want at the university.”

From Staff Reports

SECURITY

Are state agencies waiting to disclose data breaches?

North Carolina lacks a blanket security disclosure policy that covers all state agencies

BY DAN WAY

State agencies reported in 2017 a record 250 data breaches, identity information thefts, and unauthorized disclosures of personal records in their custody.

But as public concerns about computer hacks, electronic system vulnerabilities, and personal data mismanagement mount, the question is whether state agencies notify victims in a timely manner or can delay alerts because of ambiguity in state law requiring disclosure “without unreasonable delay.”

In one of the most recent incidents, the state Department of Health and Human Services discovered a data breach Sept. 27 but didn't announce it until late on the afternoon of Nov. 24, when public attention largely centered on Black Friday shopping.

The agency improperly sent to a vendor in an unencrypted email a spreadsheet containing names and Social Security numbers of more than 6,000 people. They submitted to routine drug screenings for employment, intern, and volunteer opportunities at DHHS, and their test results were included in the data breach.

During a Dec. 11 meeting of the Joint Legislative Oversight Committee on Health and Human Services state Rep. Nelson Dollar, R-Wake, grilled DHHS Secretary Mandy Cohen about the breach.

“I can assure you there is considerable skepticism” among lawmakers over DHHS' handling of data security and other issues due to problems in a succession of administrations, Dollar said.

If the department commits “an old-fashioned security breach” by inexcusably neglecting to encrypt an email containing private data, he said, how can it be trusted to protect personal information collected in ever-increasing amounts in a variety of massive state data collection systems in place and under development.

He told Cohen she gave him a lot of generalities, but he wanted to know how the most recent flub occurred, and whether disciplinary action would be taken, without which there is no accountability. He said that has been a standing problem at DHHS.

Cohen said the breach was a sloppy mistake but never answered



DHHS SECRETARY MANDY COHEN. Cohen (left) said the breach was a sloppy mistake but never answered whether disciplinary measures were imposed.

whether disciplinary measures were imposed. She doesn't want to create a culture in which an employee fears being terminated for making an error.

“I don't think these are bad people,” she said, blaming the system for weaknesses instead. It's not sustainable to expect humans to be 100 percent perfect, she said. Computer programs must be developed to take as much guesswork as possible out of their work routines.

Sam Gibbs, DHHS deputy secretary for technology and operations, said there are “trust-and-verify” technologies to flag sensitive information needing encryption.

That technology is being rolled out in divisions dealing with large volumes of private data.

The department in which the latest breach occurred has yet to receive that upgrade.

Before the oversight committee meeting, DHHS spokesman Cobey Culton told *Carolina Journal* that DHHS took immediate steps “to manage and contain the incident, including coordinating with the vendor on the deletion and secure destruction of that information.”

An investigation was launched,

and arrangements were made to notify those affected. Notification letters and a media release were prepared.

Culton said notification letters were sent “without unreasonable delay,” and the attorney general's office was notified as required by law.

“Any disciplinary action taken regarding any individual employee is a confidential personnel matter,” Culton said.

Protecting the privacy and security of job applicants is a top priority, he said. DHHS has reviewed proper procedures with employees and continues to review its internal processes to ensure data are handled correctly to help avoid a future occurrence.

Data security experts have a range of beliefs on what top priorities to pursue when a data breach occurs. Many believe prompt notification of victims is vital.

Robert Ellis Smith of Providence, Rhode Island, is publisher of *Privacy Journal* and a nationally recognized data security expert. He advocates swift notification.

“I think preliminary notification of what is known about a

breach ought to be made within two weeks, with more specific information to follow promptly,” Smith told *CJ*. Tardy notification can allow insiders to manipulate or improperly use information and prevent consumers from protecting themselves in a timely way.

Smith said states have different notification requirements.

States with hard-and-fast deadlines usually specify a 90-day deadline. Indiana and Connecticut both require reasonably prompt notification, and their attorneys general have said 90 days is excessive, Smith said.

“I think it's important that personnel discovering a breach take some time to find out how many people are potentially affected, whether the leak is remedied, and whether the impact will be significant and/or harmful,” Smith said. The more information that is known, the more useful notifications are to the recipients.

North Carolina has no blanket security policy for data breaches that covers all state agencies, said Margaret Bizzell, a spokeswoman at the N.C. Department of Information Technology. But the department establishes standards for information technology security in all executive branch agencies and monitors compliance.

She declined to say whether DHHS taking two months to inform victims was reasonable.

The DHHS data release isn't considered a security breach be-

cause there was no intrusion into the state's systems in which illegal use of the personal information occurred or is reasonably likely to occur, Bizzell said. It was classified as an unauthorized disclosure of information.

Bizzell said state and federal laws vary on what is required to be reported, and that can depend on the type of data involved.

The Department of Information Technology provides assistance as needed to state agencies in performing forensics and data recovery when an incident occurs. The department works with agencies to develop strategies to thwart future occurrences, Bizzell said.

Bill Holmes, another Department of Information Technology spokesman, said the department tracks data incidents attributed to malware, information disclosure, theft/loss, system compromise, account compromise, and web defacements.

The number of incidents spiked from 144 in 2016 to 250 this year. They had been lower — 51 in 2015, 30 in 2014, and 44 in 2013.

“The numbers have increased in the past two years as our new chief risk officer has put increased emphasis on the requirement to report,” Holmes said.

What must be reported as a security incident was clarified and expanded. For example, ransomware and account compromises would not have been reported previously.

REAL ESTATE

Hammocks Beach saga ending with announcement of park plan

Heirs fought state for nearly three decades to get compensation for their property

BY DON CARRINGTON

The final footnote of decades-long legal battles over coastal land adjacent to Hammocks Beach State Park in Onslow County ended Dec. 12, when the state released a master plan expanding the park.

The N.C. Division of Parks and Recreation's plan includes a 290-acre mainland addition the state acquired in 2015. The park, on the Intracoastal Waterway near Swansboro, consists of about 1,500 acres, including several islands. The plan calls for hiking trails, camping sites, rental cabins, picnic shelters, and fishing piers.

The most current legal fight, spanning nine years, ended in 2015 when Harriet Hurst Turner and her brother, John H. Hurst, won control of the property and sold it to the state for \$10.1 million.

Hurst and Turner said news stories *Carolina Journal* published about the family's struggles beginning in 2011 helped persuade others that they were entitled to the property. Then the 2012 election of Republican Pat McCrory as governor moved the process forward. Officials working under then-Attorney General Roy Cooper and former Gov. Beverly Perdue, both Dem-



FINAL FOOTNOTE. John H. Hurst (pictured here in 2015) and his sister Harriet Hurst Turner finally should see their vision of land at Hammocks Beach State Park come to pass.

ocrats, tried to acquire the property from the Hurst heirs without paying for it.

"The state is trying to steal my clients' land," the heirs' Raleigh attorney, Charles Francis, told *CJ* in January 2011.

McCrory appointed new leaders for state agencies, including the Department of Environment and Natural Resources, the agency that managed the state park system at the time. DENR leaders chose to

work with the Hurst heirs instead of trying to take the land without compensating them. The General Assembly in 2015 transferred the Division of Parks and Recreation to the renamed Department of Natural and Cultural Resources.

The legal fight began more than three decades years ago, when the Hammocks Beach Corp., a nonprofit trust set up to maintain the property, said restrictions set by the trust agreement made it impossible to

generate enough revenue to keep the property from falling into disrepair.

The property had served as a beach for African-American teachers in the days of racial segregation. The dispute revolved around a 1950 deed involving Hurst and Turner's grandparents, John L. and Gertrude Hurst. The Hursts received their parcel from the estate of Dr. William Sharpe, a wealthy New York surgeon who had major land hold-

ings in the area he used for hunting. Sharpe hired the Hursts to manage the property and befriended them.

The deed and an agreement among Sharpe's heirs, the Hursts, and the corporation provided that if it became impossible or impractical for HBC to manage the property as originally planned, the corporation could transfer it to the North Carolina State Board of Education to manage as specified in the agreement.

The deed also said if the SBOE turned down the property, it would go to the heirs of the Sharpe and Hurst families.

The Hurst heirs argued that they had a claim to the property because Hammocks Beach Corp. had not lived up to conditions specified in the deed.

Moreover, on two occasions, in 1987 and 2007, the education board rejected an opportunity to take over the property from HBC.

In the late 1980s, the Sharpe family renounced any interest in the property.

In 2006 the Hurst heirs sued HBC, and in 2010 the heirs won a jury trial.

But Superior Court Judge Carl Fox overruled the jury, allowing the state to intervene and make a claim to the property. Officials from Cooper's and Perdue's offices tried to seize the land without compensating the Hurst heirs in 2011 and 2013.

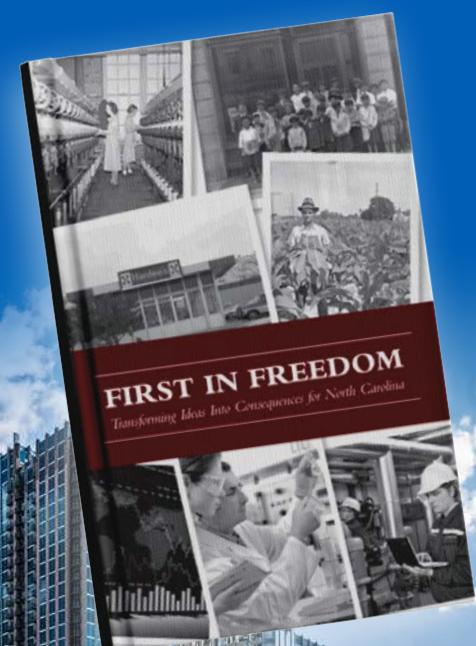
In 2011, the N.C. Court of Appeals reversed Fox's actions, though the matter was not settled until officials in the McCrory administration worked with the Hurst heirs to negotiate a settlement.

CI PHOTO BY DON CARRINGTON

FIRST IN FREEDOM

Transforming Ideas into Consequences for North Carolina

In *First in Freedom* the John Locke Foundation's president and research staff apply the timeless ideas of 20th-century conservative thinkers to such 21st-century challenges as economic stagnation, tax and regulatory burdens, and educational mediocrity.



Available at:
JohnLockeStore.com

NORTH CAROLINA

Lawmakers, DHHS officials have former Cardinal execs in cross hairs

Legislative oversight committee grills Cohen on possible legal actions against state's largest behavioral services provider

BY DAN WAY

Angry lawmakers are pushing for civil and possibly criminal action against former executives of Cardinal Innovations Healthcare Solutions, the state's largest behavioral health network. The state wants to recoup \$3.8 million in severance pay to the ousted managers.

Department of Health and Human Services Secretary Mandy Cohen last month told the Joint Legislative Oversight Committee on Health and Human Services that lawyers are reviewing agency emails and other material, deciding how to act against Cardinal.

Cardinal is one of seven geographically located Local Management Entities/Managed Care Organizations providing services to clients with mental health and substance abuse issues, and intellectual and developmental disabilities.

Cohen disbanded the previous Cardinal board of directors and management team Nov. 27, citing their "unlawful actions, including serious financial mismanagement ... regarding executive team compensation and severance payments." She said Cardinal repeatedly failed to comply with DHHS letters issuing warnings and demands.

"I'm absolutely appalled by the arrogance and avarice, the unfettered greed of those people," said state Sen. Tamara Barringer, R-Wake. She pressed Cohen about whether DHHS was investigating whether executives and board members breached fiduciary obligations, "the highest duty of loyalty" to the people served.

"We are very much still sifting through a lot of information," Cohen said, but DHHS lawyers should

answer lawmakers' legal questions. She said DHHS needs to look back at what happened but also must look forward to implementing a corrective action plan and implement a culture change at Cardinal.

"Going forward is very important," Barringer said. "Going forward it's important that we put a stake in the ground ... that we're not going to put up with someone breaching that high duty of loyalty."

Barringer said shareholders in for-profit organizations can ask courts to decide whether board members and other officials breached fiduciary obligations.

She asked if Cardinal could face similar scrutiny. The mispent funds should go to services for some of the state's most vulnerable Medicaid recipients, Barringer said.

County commissioners in Cardinal's 20-county service area seated a new governing board for Cardinal, which serves hundreds of thousands of clients.

But DHHS will maintain control of Cardinal for a few months as the new directors are trained, Cohen said.

When the state took over Cardinal, DHHS officials escorted CEO Richard Topping from the premises and took out a temporary restraining order against the former board to prevent it from interfering. Cardinal paid Topping a \$1.7 million severance. Three other dismissed executives received large severance packages, one as high as \$740,000.

Although DHHS told Cardinal it would claw back that money, Dave Richard, deputy secretary for medical assistance, said Cardinal interim CEO Trey Suttan offered an alternative plan. He wants payback to come from the agency's administrative budget and plowed back into client services.

"I've been watching this with some dismay," said Sen. Dan Bishop,

R-Mecklenburg. DHHS has a supervisory responsibility over Cardinal, which includes authority to recover mispent funds. If this were a private business, "we wouldn't sit for several months while those millions of dollars are in the hands of private individuals."

Bishop urged DHHS to be more aggressive.

Rep. Nelson Dollar, R-Wake, said Cardinal's plan to give its executives huge payouts was well-known, even published in press accounts.

"It seems like there should have been some action taken to have prevented the LME/MCO board, or the Cardinal people working there, from writing those checks to begin with," Dollar said. Every effort should be made to recover the money "from people who got golden, gilded parachutes, just unheard of with taxpayer money."

Dollar worries DHHS will have less ability to recover money once it enters contracts with nongovernmental agencies after the Medicaid managed care transformation occurs.

Cohen said new DHHS contracts will have more enforcement provisions, including potential sanctions, the ability to withhold funding, and termination clauses. Officials will check with other states using Medicaid managed care for recommendations.

An internal DHHS audit and a blistering state performance audit found Cardinal built a large pool of cash reserves, rather than providing client services, and \$1.2 million in improper executive salaries.

Cardinal paid excessive bonuses, held expensive staff events, rented high-end office space, purchased alcohol, and booked charter jet flights for in-state meetings.

Cardinal paid Topping a \$617,526 annual salary, about 3 1/2 times more than any other LME/MCO boss. The state ordered a pay cut, and Cardinal sued.

The agency later backed down and reduced Topping's salary to \$204,195, the maximum allowed under state law.

As a state-created entity, Cardinal is a political subdivision of the state. The deposed board had moved to act as an independent contractor as the state switches to a Medicaid managed care format.



I'm absolutely appalled by the arrogance and avarice, the unfettered greed of those people.

- Sen. Tamara Barringer, R-Wake



TAX REFORM. U.S. Reps. Richard Hudson, R-8th District, and Cathy McMorris-Rodgers, R-Washington, discuss tax reform plans.

CI PHOTO BY DAN WAY

Tax Foundation: Typical N.C. family gains nearly \$600 from tax reform

BY DAN WAY

The tax reform legislation approved by Congress in December makes sweeping reforms to the national tax landscape, but an influential Washington-based think tank says the new law should have minimal impact on North Carolina's tax structure.

It will, however, return more money to the Tar Heel State's taxpayers — nearly \$600 yearly to the average middle-class family.

"North Carolina residents, like all others, are going to experience tax relief," said Jared Walczak, a senior policy analyst at the Tax Foundation.

An analysis by the foundation, which studies state and federal tax policies, concluded after-tax incomes would increase 1.1 percent nationally by the end of the decade, even after temporary individual income tax cuts expire.

Nationally, the estimated gain in after-tax income for a middle-income family would be \$649.43. In North Carolina it would be \$591.40. In Florida, it would be \$562.94; Georgia, \$588.80; South Carolina, \$597.70; Tennessee, \$564.78; and Virginia, \$730.96.

The reforms should not make much of a dent in the state's tax-collecting processes. "North Carolina's tax code already doesn't follow the federal code very closely, so the changes in the federal code will have very little impact on what North Carolina's tax code looks like," Walczak told *Carolina Journal*. "In other states it will have a significant impact."

The tax bill lowers tax rates on wages, investment, and business income, broadens the tax base, increases the standard deduction for personal filers, and includes tax simplification measures. It is the most comprehensive reform since

1986.

The foundation also determined the bill would act as an economic stimulus by creating a more favorable tax climate luring more investment into the United States.

"We see growth coming from this," Walczak said. The resulting job creation "will be a benefit for all states including North Carolina."

North Carolina is projected to create an estimated 10,175 jobs, compared to 339,000 nationally. New job estimates for other Southeastern states are: Florida, 19,655; Georgia, 10,264; South Carolina, 4,815; Tennessee, 6,953; and Virginia, 9,185.

North Carolina's standard deduction for personal income tax and its corporate deduction have moved out of alignment with the federal tax code in recent years, so the federal tax reform will have a modest impact on state policy, Walczak said.

"You would have basically the same tax base as you have now," he said.

State and local income tax deductions will now be capped at a combined \$10,000 on federal tax returns, placing a greater share of the costs of state and federal government on local taxpayers.

"On the whole that's probably a good thing for North Carolina because this represents a transfer away from states like North Carolina towards higher-tax states," Walczak said.

While the Joint Committee on Taxation estimated the reform bill would add nearly \$1.5 trillion to the deficit in its first decade, the Tax Foundation analysis concluded the plan would add little red ink. The main reason: Economic growth generated by the reforms would produce a projected \$1 trillion in new federal revenues over the period, the foundation says.

COMMENTARY

Only one generation away

SEEING RED. Members of the Democratic Socialists of America chanting at the Women's March on Washington. Membership in the socialist party has skyrocketed in the past year from 7,000 to over 30,000.

The sober realization is that socialism is still challenging freedom — even with the irrefutable mountain of evidence of its abject failure and toll on humans everywhere it has been tried. Thanks to John Locke, we have a roadmap for freedom and opportunity that any of us can follow.



GARLAND S. TUCKER III
SENIOR FELLOW
JOHN LOCKE FOUNDATION



JON PRITCHETT
SENIOR VICE PRESIDENT
JOHN LOCKE FOUNDATION

Socialism has crippled nations and impoverished their citizens. The evidence is clear. Yet despite this, lots of people in the United States, United Kingdom, and Europe want more of it. A recent survey of adults from the American Culture and Faith Institute found that four out of every 10 adults in America prefer socialism to capitalism. A 2016 Gallup poll found 35 percent of Americans viewed socialism favorably. Among voters younger than 30, that number was an eye-opening 55 percent. The Democratic Socialists of America, the largest Marxist organization since World

War II, has 25,000 members — up from just 8,000 members in 2015, when it endorsed Bernie Sanders for president. The DSA has chapters in 49 states. As free-market capitalists and advocates for liberty, it's clear we have work to do.

The Legatum Institute, a London think tank, recently published a research report and poll finding widespread public support in the U.K. for renationalizing railroads, banks, and utilities. In the report, Legatum's Matthew Elliott wrote this sobering summary: "We find that on almost every issue, the public tends to favor non-free-market ideals rather than those of the

free market. Instead of an unregulated economy, the public favors regulation. Instead of companies striving for profit above all else, they want businesses to make less profit and be more socially responsible. The capitalism 'brand' is in crisis. It is seen as greedy, selfish, and corrupt."

The 35-year-old pro-free-market consensus among the U.K.'s three major political parties appears to have collapsed. Labour Party leader Jeremy Corbyn has called repeatedly for higher taxes, more regulation, and renationalization of major industry.

In response to Corbyn, former Labour Prime Minister Tony Blair has warned his party against reverting to policies that failed so miserably. Few voters seem to know — or care — about the paralyzing malaise that Margaret Thatcher so completely reversed with her free-market policies in the late 1970s and 1980s. The ideological battle had seemed at an end when Blair rejected Labour's

historical program of socialism in the 1990s.

But memories are short. In 2017, Blair warned Labour, "I wouldn't want to win on an old-fashioned leftist platform. Even if I thought it was the route to victory, I wouldn't take it." Understanding the dangerous and ill-founded allure of socialism, Blair went on to caution, "Anyone who supports Corbyn in their heart needs to have a heart transplant!" Blair's admonition, coupled with Corbyn's strong support among young voters, recalled Winston Churchill's famous quote: "If you are not a liberal at age 20, you have no heart; if you're not a conservative by age 30, you have no head."

As the data above indicate, this is not a European phenomenon. Consider the surprising candidacy of Sanders in 2016. A generation ago, it would have been the kiss of death for any American politician — no matter how liberal — to have been called a "socialist." A liberal like Hubert Humphrey spent a lifetime vehemently denying he was a socialist. Suddenly, an elderly senator from the backwoods of New England mounted a viable national campaign as a self-proclaimed socialist. His support was especially strong among young voters. But there are older citizens and leaders throughout the world who should know better.

Pope Francis recently joined a chorus of voices hostile to free markets and capitalism. In a speech at the Chartreux Institute, he warned a group of global finance students not to "blindly obey the invisible hand of the market" but rather to become "promoters and defenders of a growth in equality." How sad and embarrassing that the dominant Western voice of Christianity is blind to the very mechanism that has proved to be the best way to lift humans from poverty and reduce inequality all over the world.

In his famous treatise, *The Wealth of Nations*, Adam Smith showed us that government doesn't need to attempt to manufacture a central plan to accomplish the greatest value to all because individuals, who are pursuing personal gain, will accomplish this on their own. In essence, Smith correctly viewed the "invisible hand" (individuals responding to market signals and pursuing mutually beneficial voluntary exchanges) as a powerful mechanism to provide benefits to the whole of society. Today, in our free-market system, the only way a person can create great wealth is

to provide valuable products and services for which millions of people are willing to pay voluntarily.

Thanks to John Locke and his brilliant ideas of a system of private property rights, which were codified in our Constitution and Bill of Rights, Americans have the equal opportunity to pursue their own interests and passions and to enjoy the fruits of such pursuit.

This pursuit, rather than being a source of inequality, neglect, and exploitation as people like Corbyn, Pope Francis, and Sanders would have us believe, actually facilitates more common good, moral action, equality, opportunity, and prosperity than any economic or cultural system ever tried in the history of the world.

A generation ago, Thatcher's dismissal of socialism was well-known and generally accepted: "The problem with socialism is that eventually you run out of other people's money."

The 20th century is littered with the failures of socialism. Millions have been either thrust into poverty or held captive to poverty by socialistic governments. As economist Thomas Sowell wrote, "Socialism in general has a record of failure so blatant that only an intellectual could ignore or evade it."

China, Russia, Zimbabwe, India, Argentina, etc., have all flirted with socialism with uniformly disastrous results. The latest economic disaster is Venezuela. President Trump's analysis is right on the mark: "The problem in Venezuela is not that socialism has been poorly implemented, but that socialism has been faithfully implemented."

But do young people understand what Trump is saying? For those of us old enough to have witnessed the many failures of socialism or to have read about them, the words of Ronald Reagan ring true. "Freedom is never more than one generation away from extinction," the 40th president said. "We didn't pass it to our children in the bloodstream. It must be fought for, protected, and handed on for them to do the same."

Somehow the next generation has to grasp the wisdom of Churchill's warning: "Socialism is the philosophy of failure, the creed of ignorance, and the gospel of envy." Hopefully the U.S. — and every other nation — can heed the brilliant teachings of Adam Smith and John Locke and the overwhelming evidence of history without having to experience the painful failures of socialism firsthand.

ENVIRONMENT

Green wave

North Carolina counties and municipalities have goal of powering communities with 100 percent renewable energy, but is that even possible?

BY DAN WAY

The town of Hillsborough and Orange County have turned the Holy Grail of environmentalism into official public policy. They want to transform into 100 percent renewable energy-powered communities.

But beyond the attention-grabbing headlines, and a 2050 deadline, details matter.

Would sprawling, utility-scale solar power plants be built, and where would they go? Would homeowners be forced to install rooftop solar panels? Would municipal vehicle fleets be powered by renewable fuel? Would drivers have to buy renewable-powered vehicles? Is it possible to store enough electricity to power street lights and traffic signals, hospitals and factories, at night and on cloudy days, when there's no sun to fuel those solar panels?

Neither government can say how it plans to accomplish what even green energy proponents say would be an extraordinarily expensive mutation of energy policy. Nor have they defined phases or outlined fine points of the changeover.

"We are at the very, very beginning. It primarily goes back to our strategy map: Do we have sufficient support? How are we going to measure progress in a practicable, meaningful manner?" said Hillsborough Commissioner Kathleen Ferguson.

"We all recognize there are things we can do with today's technology. We'll have to see how things evolve over time."

"If we would try to go off the grid today, 100 percent renewable today, it just wouldn't be feasible," said Brennan Bouma, Orange County sustainability coordinator. "Thirty years is a long way off. ... A lot has to change if we're to meet that ambitious goal."

Neither Bouma nor Ferguson could say where the massive amount of money would come from to buy the technology in its many forms, then install, operate, and maintain it.

The N.C. Climate Solutions Coalition has some funding recommendations. It's the organization pushing North Carolina's local governments to adopt a boilerplate resolution committing to total renewable energy economies.

The climate coalition seeks to implement the elements of the 2015 Paris climate accord at the local level, even though President Trump withdrew the United States from the international pact.

The climate coalition's board of directors comprises representatives of environmental groups and renewable energy advocates. Executive Director Joel Segal is a self-described social justice activist, former senior legislative assistant to U.S. Rep. John Conyers, D-Michigan, and senior technical consultant to progressive filmmaker Michael Moore on the health care documentary "SICKO."

To date at least 17 North Carolina municipalities have passed resolutions or endorsed a 100 percent renewable goal, with Buncombe County being the most recent, on Dec. 5. Others are Asheville, Boone, Canton, Carrboro, Chapel Hill, Durham, Franklin, Raleigh, Sylva, Waynesville, Webster, Chatham County, Macon County, and Watauga County.

The Orange County resolution, passed Sept. 5, includes language similar to the others. It states the county, state, and United States "shall transition from a fossil fuel-based economy to a 100 percent clean renewable energy for all energy sectors-based economy, by January 1, 2050, or sooner to avoid climate catastrophe, to promote job creation and economic growth, and to protect the Earth for current and future generations."

Bouma said the county is continuing to ramp up its award-winning energy efficiency program to ensure all possible savings are achieved before investing in renewable infrastructure. Some government buildings are being studied for placement of rooftop solar panels.



BEN SNOWDEN. Raleigh environmental lawyer Ben Snowden, far left, walks fellow panelists and audience members through his presentation during a Research Triangle Cleantech Cluster forum in November on the business impact of House Bill 589, energy legislation the General Assembly passed this year.



RANDY WHEELLESS. Duke Energy spokesman Randy Wheelless tells participants at a Research Triangle Cleantech Cluster forum that House Bill 589, passed last year, will be a boon for the solar energy industry.

He concedes success of the transition depends in large part on changing consumer habits, an evolving market, and a plunge in prices that make renewable energy a preferred option. But is it reasonable to expect the county can per-

sue its residents to cast away all of their current practices and technology voluntarily to buy renewable-powered replacements?

"I understand your skepticism on this," Bouma said. "There's going to be a lot of physical things,

questions like this to answer when we're going to try to make it happen."

Ferguson said Hillsborough, un-

continued NEXT PAGE

ENVIRONMENT

continued from PAGE 10

like the county, doesn't have a firm goal to push all its residents into renewable energy. It is working with Triangle J Council of Governments to develop strategies that its small municipal staff would be hard-pressed to devise given its heavy workload.

"The goal is aspirational," Ferguson said. "Hillsborough is small. We do not have a local utility. We're not going to form a local utility" to operate a utility-scale solar plant to power the town.

"We can set a standard within the community, but we do not have control over other folks," she said. Putting up solar projects in the heavily regulated historic district could be tricky, for example.

The town is unlikely to go out and buy bucket trucks and heavy equipment that run on renewable fuels, she said. But it can do things such as switching from paper records to electronic ones, consolidating buildings, and making other improvements to use energy more efficiently.

Among the many barriers to a city or county becoming totally powered by renewable energy is its intermittent nature. Solar panels collect sunlight to generate pow-

er just a few hours a day. They produce none when the sun isn't shining. Wind power fails when the air is still. Renewable advocates say improving battery storage technology is a solution.

Gary Rackliffe, vice president for smart grids at Raleigh-based ABB Inc., said it's possible to go 100 percent renewable, but it's also complicated. An electrical grid must be formed, and it must maintain a constant balance of voltage generated to demand frequency. One way to achieve that is through battery storage that can be tapped when electricity isn't being produced.

"You can push to get to 100 percent renewable operation, but that's going to be limited to the amount of storage that you have, and right now huge amounts of storage is still very expensive," Rackliffe said. It also has limitations. Batteries wouldn't last through three or four days of clouds and no wind.

Hydropower and geothermal power are other backup energy sources, where the right circumstances exist.

Steve Goreham, a Heartland Institute climate change and energy policy expert, and author of two books, says officials in municipalities pledging to go 100 percent renewable don't realize the challenge, especially for battery storage.

"To store all of the electricity in Germany used in a single day ... would require all of the car batteries in the world — a billion car batteries — hooked together," Goreham said.

"It is remarkable how much electricity this society uses, and people have no concept," Goreham said. Battery storage could cost \$4 for every \$1 spent in generating renewable electricity.

Battery storage is "completely goofy" and flies in the face of the manufacturing industry trend of "doing everything possible to reduce inventory," Goreham said. "Obviously all the people who want to do this never ran a business, never had inventory," which is a major expense.

He was dismissive of the municipal resolutions' goal of reversing climate change.

Nature releases something on the order of 20 times as much carbon dioxide into the air out of the oceans and the biosphere as all of earth's industries, he said.

"So what you do in North Carolina isn't going to make any difference. The only thing it's going to do is raise electricity prices," Goreham said. It's nice that the municipalities have a green dream, he said, "but you're spending the taxpayers' money, the ratepayers' money to do that."

The climate coalition list of revenue-generating policies:

1. **Adopt Renewable Portfolio Standards.** Those generally force utilities to purchase growing amounts of renewable energy, which is more expensive than traditional fuel sources. The costs are passed on to ratepayers and taxpayers.
2. **Tariffs and subsidies.**
3. **Investment incentives, which could be direct or indirect payments by governments to energy producers to build energy infrastructure, and for loan guarantees.**
4. **Municipal financing for residential energy-efficiency retrofits and solar installations, and/or purchase incentives and rebates for electric vehicles.**
5. **A revenue-neutral pollution tax on energy sources, with revenue transferred to nonpolluting energy sources.**
6. **A straight pollution tax, such as a carbon tax.**
7. **A program reducing demand by improving energy efficiency, or substituting low-energy activities and technologies for high-energy ones.**
8. **A command-and-control policy option of mandated emission limits for technologies.**
9. **Cap-and-trade, a system that includes an ever-stricter greenhouse gas emissions limit and penalties for exceeding it.**
10. **Community renewable energy programs.**

SOURCE: The North Carolina Climate Solutions Coalition

When it comes to being in the know, don't miss **FRONT ROW**. National campaign strategist Marc Rotterman and his guests from both sides of the aisle discuss state and national politics, policy and the people who power them both. And now, **FRONT ROW** joins UNC-TV's Friday night lineup of lively, insightful programs designed to keep you informed about important things that affect you.

**Catch FRONT ROW—
Four Times a Week!**

UNC-TV: Fridays, at 8:30 PM

North Carolina Channel:

Fridays, at 9 PM • Saturdays, at 4 PM
Sundays, at 9:30 AM

Online anytime at unc.tv/frontrow



UNC TV
unc.tv.org



ENERGY & ENVIRONMENT

Pipe Dreams

continued from PAGE 1

They denounce the process of fracking, from which the natural gas will emanate. They cite a harmful addiction to fossil fuels, an irreparable harm to waterways and forests. To poor communities, including those with large minority populations.

For one perspective, listen to Johnston County businessman Durwood Stevenson, a Democrat and former N.C. Board of Transportation member. He wants Gov. Roy Cooper, the aforementioned Democrat, to expedite construction.

“The Atlantic Coast Pipeline is an opportunity of a lifetime to provide clean, efficient energy for the future of eastern North Carolina, and I am asking Governor Cooper to join me in supporting the Atlantic Coast Pipeline,” Stephenson says in radio and television ads supporting the project.

“I did the ads to promote economic development in eastern North Carolina. The pipeline is another tool for us,” he told *Carolina Journal*.

For another perspective, NC WARN Executive Director Jim Warren and outgoing North Carolina NAACP President the Rev. William Barber want the project dead. WARN is a nonprofit with the stated mission of “watch-dogging Duke Energy” and “building people power for a swift North Carolina transition to clean, renewable, and affordable power generation.”

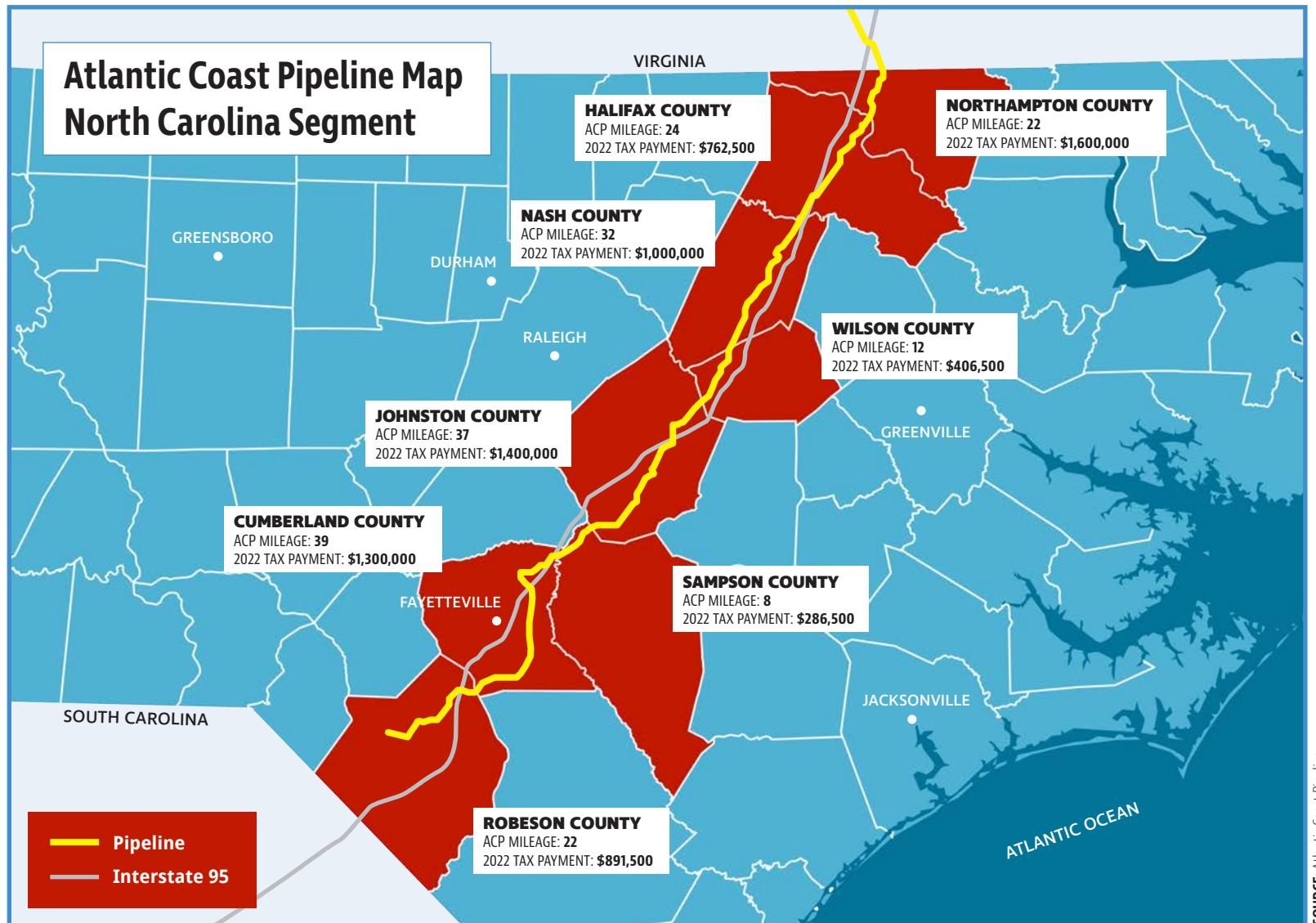
A report distributed by the NAACP calls the pipeline a health risk to “communities of color.”

Cooper, putting aside for a minute Copeland’s cheerleading, has said little about the pipeline. Any opinion he offers would be met at the same time with scorn and praise.

In June, Warren and Barber held a news conference calling on Cooper to phase out the import and use of fracked gas in North Carolina. They asked Cooper to cast a similar fate upon all natural gas fuel electricity generators in North Carolina.

Replace them with renewable sources, they say.

Warren told *CJ* in December that he and Barber were “doing those things in order to slow the climate crisis. Natural gas is almost entirely methane, and the amount venting



SOURCE: Atlantic Coast Pipeline

and leaking from routine U.S. natural gas operations makes gas even worse than coal in terms of climate change.”

Yet the pipeline project creeps along, like I-95 on Labor Day weekend.

“We have acquired about 80 percent of the right-of-way for the project and expect to start construction in early 2018,” ACP spokesman Aaron Ruby told *CJ* in December.

The ACP is a partnership among Richmond, Virginia-based Dominion Energy, Duke Energy, Piedmont Natural Gas, and Southern Company Gas. The Federal Energy Regulatory Commission approved the pipeline in October, but the N. C. Department of Environmental Quality, an agency that falls under Cooper, is still reviewing water quality plans and other issues associated with the project.

CJ has failed to find any report or document signaling the governor’s position on the project, and his press office failed to respond to multiple requests from *CJ* seeking his position. Cooper generally receives strong support from environmental advocates.

Lt. Gov. Dan Forest, a Republican

who may challenge Cooper for governor in 2020, is a vocal supporter of the ACP.

“The proposed Atlantic Coast Pipeline is a huge opportunity for eastern North Carolina. We just can’t unleash the economic potential that has eluded the eastern part of our state without this pipeline,” Forest said in a video message produced by his office.

Project details

The pipeline would run 186 miles through North Carolina and would intersect with I-95 five times.

The additional gas will supplement existing gas resources and fuel new electricity generation plants. ACP claims the project will generate \$377 million a year in energy savings and \$28 million in local tax revenue, while creating 17,240 construction jobs and 2,200 new jobs in other industries.

The pipe to be used will be 42 inches in diameter in West Virginia and Virginia and 36 inches in North Carolina. It will be buried three to five feet below ground in most places, including riverbeds and streambeds. The right-of-way will be up to 75 feet wide.

ACP will compensate property owners for granting easements so the company can install, operate, and maintain the pipeline. As a public utility, ACP has eminent domain rights. If property owners refuse to

grant an easement or can’t agree on compensation, the matter will go to court, ACP will obtain authorization to proceed, and the court will set the compensation.

Opponents have lined up with hopes of swaying Cooper’s decision.

Some organizations, including the Sierra Club, have appealed directly to Cooper.

The *News & Observer* editorial board in November expressed the paper’s objections: The “overarching reason to oppose a new pipeline that would carry 1.5 billion cubic feet of natural gas a day is that it takes North Carolina’s energy development in exactly the wrong direction.”

A recent report, “Fumes Across the Fence-Line,” co-sponsored by the national NAACP, claims oil and gas facilities, including pipelines like the ACP, harm African-American communities.

“The life-threatening burdens placed on communities of color near oil and gas facilities are the result of systemic oppression perpetuated by the traditional energy industry, which exposes communities to health, economic, and social hazards,” the report says.

The report notes that seven of the eight counties along the proposed route have poverty levels higher than the state average of 17.2 percent. “The expansion of the ACP and other natural gas infrastructure along the North Carolinian coast

would have unavoidable adverse impacts on already vulnerable communities.”

Not so, say proponents.

In November, *The Robesonian* editorial staff called on Cooper to support the ACP, which terminates in Robeson County.

“Gov. Roy Cooper’s role should favor the rural and impoverished communities, to include Robeson County, whose collective fingers are crossed in the hope that the Atlantic Coast Pipeline, arguably the most scrutinized project of its kind in this nation’s history, will clear what is essentially a final hurdle of getting a water quality permit from the Department of Environmental Quality.”

Lumberton is the county seat of Robeson County, the proverbial end of the pipeline.

In a guest column for *The Robesonian*, Lumberton Chamber of Commerce Chairman Al Locklear urged his community’s support.

“The natural gas transported through the pipeline will be used to generate cleaner electricity for residents all across eastern North Carolina, and perhaps more important, to fuel new industrial development in our area.”

Robeson County, says the state Commerce Department, is designated a Tier 1 county, placing it among North Carolina’s 40 most distressed counties. The median household income, as of 2015, was about \$32,000.

ENERGY & ENVIRONMENT

Against the pipeline

The Sierra Club: “Dear Governor Cooper: The Sierra Club appreciates your long history of support for a clean environment, and for reducing the harmful effects of fossil fuel on the climate and public health. On behalf of more than 65,000 Sierra Club members and supporters in North Carolina, we urge you to not support the proposed Atlantic Coast Pipeline,” wrote Sierra Club representative Deb Self in a letter to Gov. Roy Cooper in April.

Appalachian Voices is against

mountaintop coal mining and fracked-gas pipeline building, and for solar and wind-generated energy. “We need your help to send a message to Gov. Roy Cooper and officials in Raleigh that North Carolina doesn’t want or need this pipeline. Help us flood the governor’s office with holiday-themed ‘NO ACP’ postcards. You can download and print at home, or we can send one on your behalf.”

Amy Adams, a program manager with Appalachian Voices and a former regional office supervisor for the N.C. Department of Environment and Natural Resources: “In Gov. Cooper’s first year in office, his administration faces decisions

that will determine its environmental legacy. Will it be duped by these corporate charlatans or stand strong against them?”

The Southern Environmental Law Center: “This unnecessary pipeline will not only harm the mountains, forests, and waterways in its path — it will also disrupt the lives of the people living and working along its 600-mile-long route and lock a new generation into decades more of fossil fuel consumption.”

The SELC said in December that utility customers in North Carolina do not need the ACP because there is a drastic reduction in the forecast for electricity.



THE OPPOSITION. Jim Warren, executive director of NC WARN, wants to kill the pipeline project.

CJ PHOTO BY DON CARRINGTON

Support for the pipeline

The Roanoke Rapids Daily Herald editorial board expressed support: “The Atlantic Coast Pipeline will bring jobs to the Roanoke Valley, will provide less expensive natural gas, and will help to reduce our nation’s dependence on foreign energy and on higher emission power sources.

“For all these reasons, and even a few more, we support the construction of the 600-mile pipeline running right through our part of northeastern North Carolina.”

Johnston County businessman Durwood Stephenson, a Democrat and former N.C. Board of Transportation member, speaking in radio and TV ads supporting the project: “The Atlantic Coast Pipeline is an opportunity of a lifetime to provide clean, efficient energy for the future of eastern North Carolina, and I am asking Governor Cooper to join me in supporting the Atlantic Coast Pipeline.”

Lumberton Chamber of Commerce Chairman Al Locklear, in a guest column in *The Robesonian*: “The natural gas transported through the pipeline will be used to generate cleaner electricity for residents all across eastern North Car-

olina, and, perhaps more important, to fuel new industrial development in our area.”

The EnergySure Coalition, a group of some 250 businesses, organizations, and individuals that support the pipeline: “North Carolinians are ready to get to work. And the Atlantic Coast Pipeline is ready to go to work for North Carolina. If that sounds like a future you want to be a part of, show your support by asking Governor Roy Cooper to support the Atlantic Coast Pipeline. Just click below to send a letter to Governor Roy Cooper in support of the Atlantic Coast Pipeline,” states a prompt on the EnergySure website.



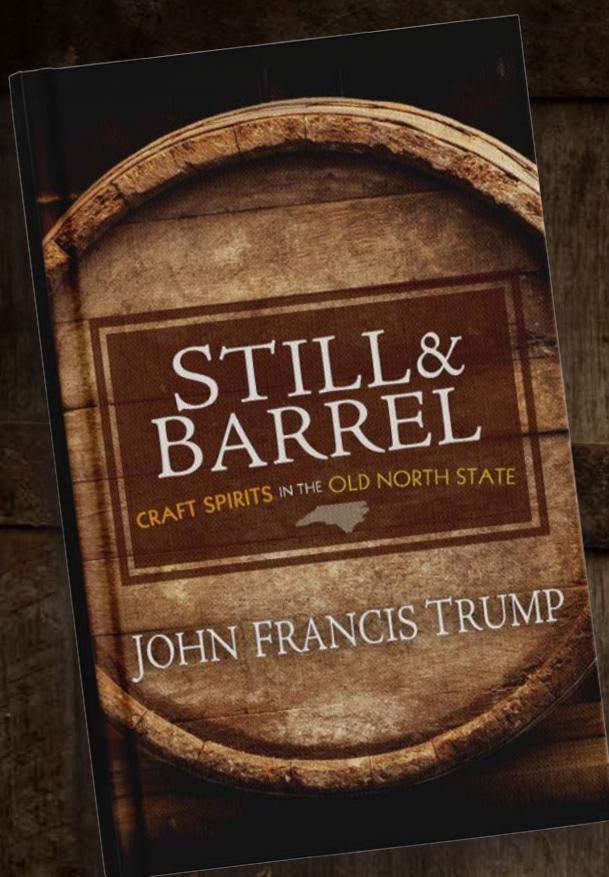
THE SUPPORTERS. Johnston County businessman Durwood Stephenson shows CJ where the pipeline will cross Interstate 95 near Selma.

CJ PHOTO BY DON CARRINGTON

BOOKS BY JLF STAFF



John Trump
Managing Editor,
Carolina Journal



Still & Barrel: Craft Spirits in the Old North State

“John Trump, a skilled journalist and storyteller, chronicles the North Carolina comeback of intoxicating spirit manufacture in a book that profiles pivotal characters, charts historical currents, and makes clear that the next step after farm-to-table dining is crop-to-fifth drinking.”

— John T. Edge,
Author of *The Potlikker Papers*

ORDER TODAY!

www.amazon.com

www.blairpub.com

ECONOMY

North Carolina has the makings of a luxury brand



JULIE TISDALE

CITY AND COUNTY POLICY ANALYST
JOHN LOCKE FOUNDATION

Every few days, I see another story. They're always the same.

They start with some headline about how a company has chosen North Carolina over another state. Occasionally it's another country. Sometimes it's a city. They read like this:

[Insert Company Name Here] chooses [North Carolina/City Name] over [other state/country] for latest expansion.

It's not just the headlines that are the same. The substance of the story never changes much, either. First, there's a long list of all the great things the company will bring — jobs, higher salaries, the general salvation of a particular economic sector. Then there's glowing praise for North Carolina workers, for the talent that's drawn the company to the state, for all the great advantages that North

Carolina offers to a business looking to locate. The picture it paints is beautiful.

But then comes the kicker, the reason I'm always filled with dread when I see these headlines. Because, almost inevitably, the story ends with a list of the grants and tax breaks and incentive payments the company has received from the state and local governments as part of the deal to locate here.

We're not talking about small change. In just the third quarter of 2017, the state gave away more than \$1 million in OneNC Grants. That program has given away nearly \$88 million since it started in 1993. Every one of those state dollars requires a local match, so the actual amount is much higher. In 2016, the state awarded almost \$70 million in Job Development Investment Grants. Overall, in the past 10 years the state has awarded more than \$1.5 billion in various economic development grants.

Of course, the stories always say the company is really here for the talent, the quality of life, the business environment, the proximity to mountains and beaches, or whatever. The very same politicians handing out taxpayer money will talk at length about what a wonderful place North Carolina is to do business, how attractive its talent pool is, how we can compete



Stop offering incentives that send the implicit message that North Carolina isn't good enough on its own merits, that it needs to offer sweeteners.

with anyone in the world.

I'll admit that working in politics and public policy for 15 years has made me cynical. But these articles always strike me as a bit disingenuous. If politicians really believe so strongly in North Carolina, then why do they feel like they have to sweeten the deal by handing out huge sums of taxpayer money? You do that only if you don't really believe your product is attractive enough on its own.

Of course, there's a reason for this. It's hard work actually to make a place so much more attractive than the cities and states around it that people will come here without any cash. (It gets harder, incidentally, every

time we hand out more tax breaks and incentives, making companies expect we'll continue to do so.) It requires things like lowering tax rates, and not just a tiny fraction. Lower tax rates meaningfully, and you won't have to give massive incentive payments. Instead, companies will realize that their bottom lines benefit from those lower rates, and they'll want to take advantage of them.

And the beauty is that, rather than having to play this game and try to lure people, you can create an environment where companies come to you.

It's why I'm constantly seeing advertisements for Ford and Toyota and BMW, complete with cash back and special financing, essentially buyer "incentives." Because I could easily buy Chevy or Honda or Mercedes instead. Those car dealers have to lure me in.

But you never see a commercial for Ferrari. You just want one. And if you decide to buy it, you go to them. They don't have to stoop to advertising. The product sells itself. When you do go to buy that car, there will be no cash back. In fact, if you buy it new, you'll sign a contract agreeing not to resell the vehicle for a couple of years as a condition of the privilege of being allowed to buy the car. And you'll sign happily, because the product

is just that good.

It's why Gordon Ramsay restaurants don't pop up on Groupon, and why Louis Vuitton doesn't have sales or outlets. They're luxury brands. They don't need to offer incentives to make you want them.

North Carolina has the makings of a luxury brand. We have excellent universities producing top talent that would be an asset to any company. We have smart, creative, hard-working people and a low cost of living, high quality of life. The weather is mild, we have sea ports and international airports, we're a short flight from Europe, and we're well-connected to the Eastern United States.

Not only that, but we're consistently ranked among the best states in which to do business. Forbes ranked us No. 1 in 2017. We could be even better. Lower tax rates for all businesses, lighten the regulatory burden, and provide good infrastructure. Stop offering incentives that send the implicit message that North Carolina isn't good enough on its own merits, that it needs to offer sweeteners. Instead, make North Carolina hands down the best place in the country to do business, and let companies come to us. North Carolina really can be that good. It's time for politicians to stop selling us short.

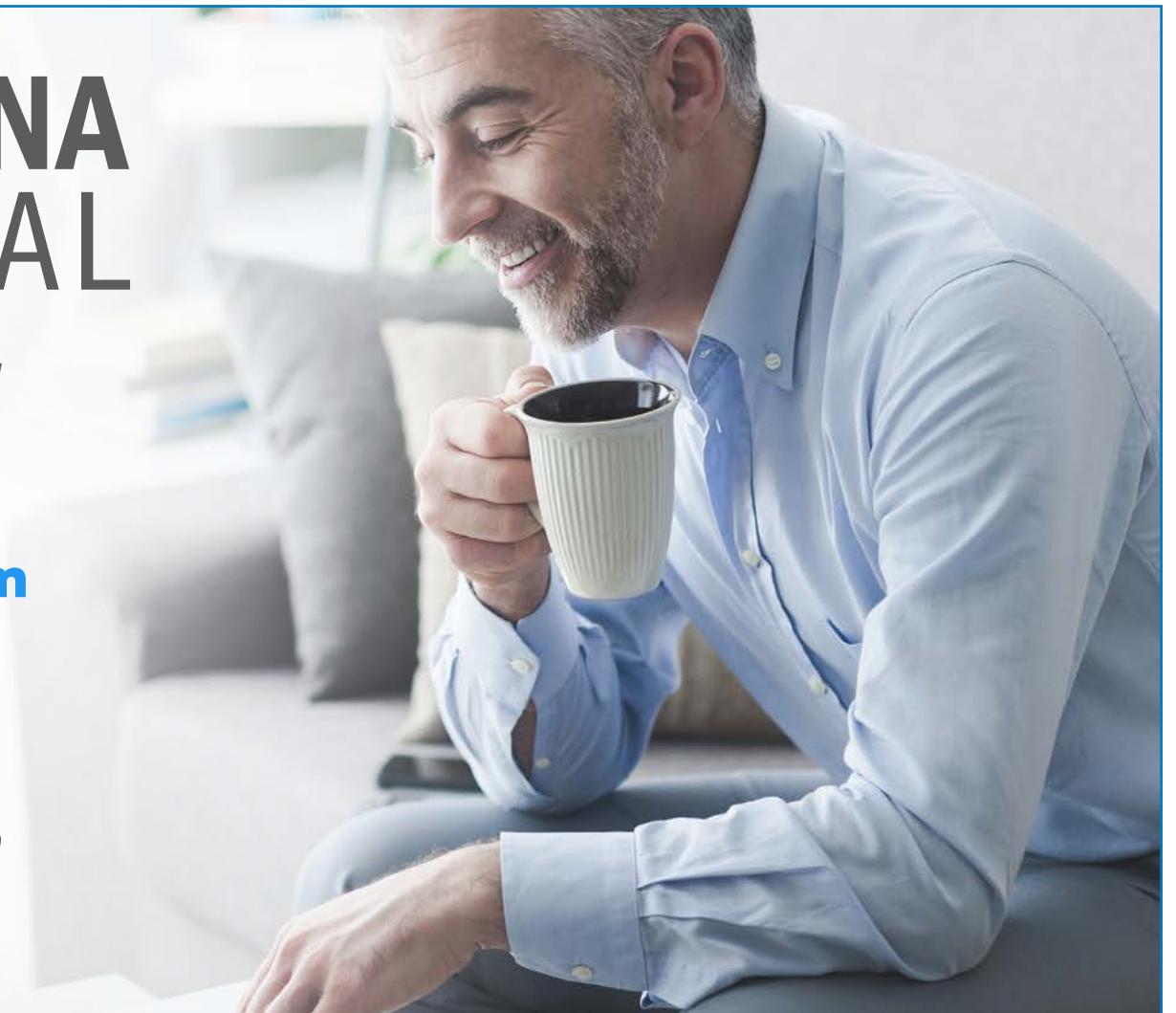


CAROLINA JOURNAL

Sign up for the **FREE**
CJ Daily newsletter!

www.carolinajournal.com

*Breaking news, top stories
and analysis delivered each
morning to your inbox.*



N.C. COURTS

High court ends year with no sign of Democratic versus Republican bloc



MITCH KOKAI
SENIOR POLITICAL ANALYST
JOHN LOCKE FOUNDATION

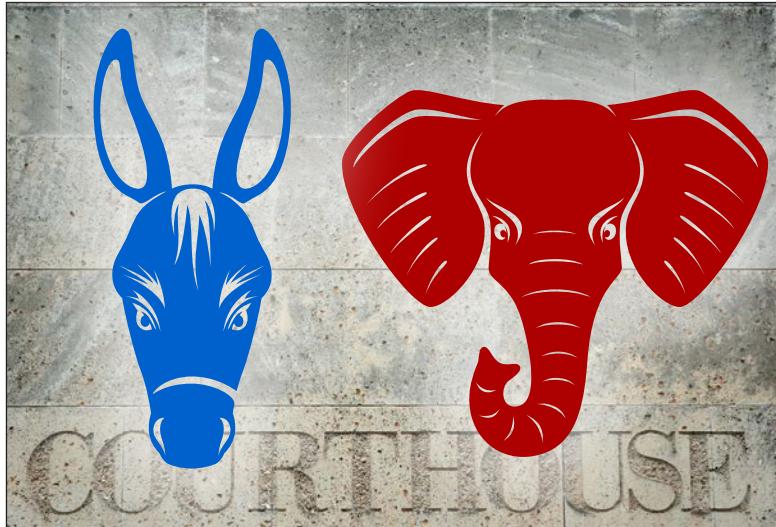
The last batch of N.C. Supreme Court opinions for 2017 confirmed what court watchers witnessed during the rest of the year: A change in the court's partisan "control" did not translate into a clear split of justices along party lines.

The high court's four registered Democrats lined up against its three Republicans a grand total of two times in 58 cases decided during the year. Meanwhile, justices decided the results in 48 of 58 cases unanimously.

If partisan court fights are forthcoming, the results will have to wait until 2018.

Justices issued no 4-3 split rulings Dec. 8 — the last date for new court opinions in 2017. Instead, the court decided five of the year's last seven cases with unanimity.

In another case, *State v. Fletcher*, dealing with sexual exploitation of a minor, justices reached unanimous agreement on a result that denied a new trial for the defendant. The court's newest justice, Michael Morgan, disagreed with



colleagues on the legal basis for the ruling. He concurred with the result of the case without endorsing the majority opinion from fellow Democrat Sam Ervin IV.

The only case Dec. 8 that produced a dissenting opinion, *State v. Moore*, involved a three-way split among the court's Democrats. Justices ruled, 6-1, that a criminal on probation had received adequate notice of his probation revocation hearing. But, in addition to Democrat Cheri Beasley's only written dissent of the year, fellow Democrats Ervin and Robin Hudson split from the majority coalition that united Morgan and the three Republicans. Hudson joined Ervin's concurrence supporting the majority's result but not all of its findings.

Beyond the specifics of the Dec. 8 cases, year-end statistics offer insight into shifting coalitions that helped decide state courts' toughest legal and constitutional disputes.

Looking at results alone, Chief Justice Mark Martin and fellow Republican Paul Newby agreed in 57 of 58 cases. Newby agreed with the other Republican justice, Barbara Jackson, 56 times. Martin and Jackson agreed in 55 cases.

(Those numbers, and the others below, require a caveat. In three 2017 cases, including the two mentioned specifically above, justices filed concurring opinions agreeing with the results of a case without accepting the majority opinion's legal reasoning. If one treated

those concurring opinions as dissents, the rate of agreement would drop slightly in 17 of 21 possible pairings of justices.)

Among Democrats, Beasley and Hudson agreed most often: 55 of 58 cases. Ervin and Hudson agreed in 54 of 57 cases, while Hudson and Morgan agreed 53 of 56 times. Each of the other three Democrats agreed with Hudson more often than with anyone else.

Hudson also appeared most often in the majority: 56 times among the 58 cases. Jackson ranked second, with 55 appearances in the majority. Like Jackson, both Ervin and Morgan dissented three times. But Ervin did not participate in one case, so he joined the majority 54 times. Morgan sat out two cases, so he appeared in the majority 53 times. Martin's four dissents left him with 54 appearances in the majority.

Beasley and Newby were the most frequent dissenters, with five apiece. Still, each appeared in the majority 53 times. That's 91 percent.

The Democrat Beasley and the Republican Newby disagreed most often: 10 times. In fact, they appeared on opposite sides in every case this year that produced a split result. The number of dissents cited above tells us that those splits placed Beasley in the majority half the time and Newby the other half.

Yet it would be a mistake to view these two justices as representing

opposite poles in legal or judicial philosophy. Newby joined four of Beasley's five majority opinions. Beasley signed on to six of Newby's seven majority opinions. Most of their disagreements involved opinions written by their other five colleagues.

From a partisan standpoint, the court's most interesting pairing in 2017 involved Democrats Ervin and Morgan. While they agreed in 49 of 55 cases (89 percent), each agreed at least as often with Republicans as with each other. Jackson and Morgan agreed in 52 of 56 cases (93 percent). Ervin and Martin agreed 52 of 57 times (91 percent).

One could devour each statistic and still believe that justices will split along party lines when they end up deciding a case like *Cooper v. Berger*, which pits a Democratic governor against a Republican-led General Assembly.

That's entirely possible. Recent comments from Gov. Roy Cooper suggest he might be hoping for such a result, especially after the 2016 election flipped the court's 4-3 majority from Republicans to Democrats.

But data from 2017 suggest a court that features both a high degree of unanimity and a willingness to assemble majority coalitions that defy party labels.

If those characteristics carry forward into this year, partisans might be surprised by the results.



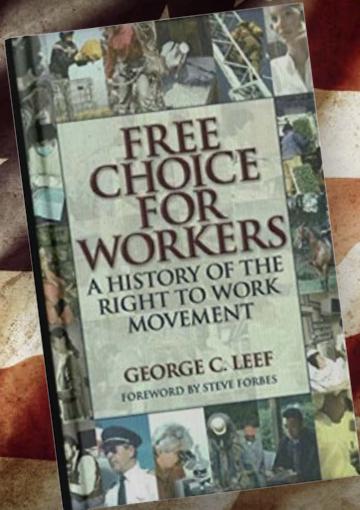
If you know high school students considering college...

Download the **FREE** "College Bound" pdf from The Martin Center!

THE JAMES G. MARTIN CENTER FOR ACADEMIC RENEWAL

www.jamesgmartin.center or call 919.828.1400

Free Choice for Workers:
A History of the Right to Work Movement




BY **GEORGE C. LEEF**
Director of Research at the James G. Martin Center for Academic Renewal

ORDER NOW AT JAMESON BOOKS
1-800-426-1357

"He writes like a buccaneer... recording episodes of bravery, treachery, commitment and vacillation."

EDUCATION

Dual enrollment: A head start on college or empty credentialing?



JOSEPH WARTA
COLUMNIST

Shortly after I moved to North Carolina in 2015, I learned about a dual-enrollment program for students to attend high school and Wake Technical Community College simultaneously. At the time I was a homeschooled rising junior deciding among my options for the future, and I was eager to jump on board if it meant I could get college credit early — and tuition-free.

The dual-enrollment program, Career and College Promise, is designed to enable eligible North Carolina high school students to earn transferrable college credit that will count toward their future degrees. There's no cap on credits a student can take, so a CCP student can earn as many as he is able to, up to an entire associate degree (while keeping up with his high school classes). CCP statistics show I was not alone in using this program. In 2013-14, 11,389 students enrolled in the program across the state.

Additionally, the UNC system makes it easy for students to know which classes will transfer and which won't. The Comprehensive Articulation Agreement between UNC and the N.C. Community College System guarantees that earning a community college associate



degree allows students to transfer to a UNC school as a junior. If you don't have an associate degree, much of the credit accumulated is guaranteed to transfer.

It wasn't until I actually started the classes at Wake Tech that I found my college classes lacked the academic rigor I had in my high school courses. Wake Tech's classes were simply not as challenging as I expected — or hoped — them to be.

One example of a less-than-rigorous course was an online criminal justice class with an instructor whose spelling was so poor I often lost points on quizzes and tests because I didn't understand what he was trying to say. I also had to take a class in which I was taught how to get around the 138-acre

campus, how to find other colleges' websites, how to study, how to take a test, and other rudimentary skills.

Even worse, some classes were highly politicized, especially my first English class. Much of the time was devoted to discussing current political issues. Very little time was spent on writing; instead, the majority of the time we spent reading and discussing partisan drivel. Readings included Barbara Ehrenreich's *Nickel and Dimed*, which promoted the idea that extensive government regulation is necessary to "help the poor," and an essay glorifying the morality of theft from the rich by the poor. No alternate views to these perspectives were presented. Nor was that English class

unique. I also had an American literature class that was at best subjective and at worst fallacious. At times it seemed as if the teacher's main intention was to criticize capitalism.

Had these classes simply matched — not even exceeded — the rigor of classes I took in the high school homeschool program, I would have been much better off. I also would have been better served by dedicating more time and focus on my high school classes, but earning college credit was higher on my list of priorities.

Despite its quality drawbacks, CCP sped up my degree completion and saved me money. I earned 39 credits over the course of six semesters and saved more than half the cost of an associate de-

gree. Had I paid for those classes, it would have cost me more than \$4,000.

Of course, CCP is no "free lunch." The cost to the state is quite expensive. More than \$85 million was allotted to the community college system to cover dual-enrollment students for 2015-16. For the latest available numbers, just more than \$5,000 was allocated to community colleges for each CCP student.

When looking at other states, data show dual-enrollment programs vary widely. High school districts shoulder the financial burden in Florida. School districts pay the tab in Ohio, as well, but its dual-enrollment program includes grades seven through 12. A combination of parents and school districts pay for dual-enrollment tuition in Pennsylvania. The state covers the cost of tuition for students in Oregon.

For me, CCP at Wake Tech was a much-needed introduction to the "college life." For a homeschooled student, going from high school to college can seem like jumping into Lake Michigan.

Even with all its flaws, Wake Tech's CCP program served me well. I got what I wanted — a head start on a degree while lessening my debt load, along with a broader social experience. I hope its flaws can be fixed. College courses should challenge students, rather than giving them easy academic credit.

Joseph Warta is an intern for the James G. Martin Center for Academic Renewal.

The James G. Martin Center for Academic Renewal explores the General Education program at

NC STATE UNIVERSITY

Read Jay Schalin's newest report, "General Education at NC State" to discover the findings.

Download the **FREE** pdf online!

THE JAMES G. MARTIN CENTER FOR ACADEMIC RENEWAL

www.jamesmartin.center

Or call 919.828.1400 to receive your free copy.

The Decline of the English Department

Throughout much of the 20th century, English departments were the crown jewels of the humanities. Today, English departments have lost their position at the center of the American university.

Why?

Read "The Decline of the English Department" by Jay Schalin **FREE** at:

www.jamesmartin.center

THE JAMES G. MARTIN CENTER FOR ACADEMIC RENEWAL

EDUCATION

Grades, not tests, are the bellwether for college success



KRISTEN BLAIR
COLUMNIST

It's a new year, launching another new and notorious-ly nerve-wracking season of college admissions testing. High school juniors are hoping they'll dazzle admissions officers with their smarts, savvy, and content mastery, but what will their test scores really demonstrate? Does a high ACT or SAT score reveal readiness for college rigor, or does it merely confer bragging rights and a better shot at admission?

The mother of a high school junior who's about to begin testing, I'm keenly interested in the answer. My oldest child graduated from high school in 2015, and I know some things — the toil and tedium



Ninth-grade GPA is not only predictive of 11th-grade GPA but also the likelihood of high school graduation and enrollment and persistence in college.

of test prep and the heart palpitations that accompany reading a score report — remain the same.

But other things have changed. A new SAT launched in 2016 with a raft of revisions. The ACT cemented its status as titan of tests.

Score stakes are also higher than ever. ACT and SAT performance not only figures prominently in college admission decisions and rankings but in recent years has become part of states' accountability programs.

At least 25 states now require public schools to administer the ACT or SAT to students in 11th grade, according to *Education Week*. North Carolina is one of them, and in 2012-13 began requiring all public high school juniors to take the ACT. The percentage of students attaining the UNC system's minimum composite score for admission is factored into schools' performance grades.

Clearly, these tests provide valuable feedback on students' skills and readiness for college work. Research does reveal test performance is linked with college GPA. Still, some things matter more. A substantial body of evidence shows high school GPA is far more predictive of college success than test scores. The most important GPA may be one many ignore — the ninth-grade GPA.

A recently released longitudinal study from the University of Chicago Consortium on School Research, evaluating more than 187,000 students, shows ninth-

grade GPA is a highly sensitive "signal" of numerous later academic outcomes. Ninth-grade GPA is not only predictive of 11th-grade GPA but also the likelihood of high school graduation and enrollment and persistence in college.

This Chicago study builds on earlier research from William Hiss, former dean of admissions at Bates College, evaluating test-optional admissions policies at 33 institutions. Hiss found no significant difference between the college GPAs of students who submitted scores and students who did not. Moreover, college GPA was strongly aligned with high school GPA — even when test scores varied. It's common sense. Students who worked hard and earned good grades but less stellar test scores outperformed lower-achieving students who dazzled on test day. Effort and persistence do matter.

All of this means there's good reason to intervene early if students falter during high school's freshman year. Years ago, the

Chicago Consortium developed a freshman "on-track" indicator, based on students' course credits and grades, that highlights the need for intervention. School districts using the indicator found it to be a powerful predictor of later graduation. The consortium suggests parents and teachers keep a close eye on that freshman first semester, pushing for monitoring, mentoring, and more individualized attention when warranted.

Stressed-out students seeking solace will find myriad tips online for ACT and SAT success. Plan ahead! Practice! Relax! But the best advice is this: Work hard in high school. Tackle difficult subjects, and master them with persistence. Students can't bubble in grit, tenacity, or an impressive work ethic on test answer sheets. But such traits ensure students stay the course — long after those answer sheets have left the building.

Kristen Blair is a Chapel Hill-based education writer.

Standing athwart social justice protests

JAY SCHALIN
COLUMNIST

SHANNON WATKINS
COLUMNIST

TODAY'S PROTEST-RIDDEN

climate on college campuses might lead one to suspect they are hotbeds of political disruption controlled by social justice warriors. Across the country, speakers are shouted down, professors are harassed, students are intimidated — while administrators grovel, patronize, and pander.

Fortunately, the situation isn't quite so dim on most campuses. Administrators may be learning that order and free-speech rights must be preserved and that appeasement only emboldens troublemakers. Furthermore, ideologically driven protesters usually constitute a small minority of the student body.

A look at a three-day period at the University of North Carolina at Chapel Hill reveals many different facets of the campus protest phenomenon.

On Nov. 13, roughly 55 protesters gathered outside a speech by Sebastian Gorka, former deputy assistant to President Trump. The protesters ranged in age from undergraduates to senior citizens. At some point, many undergraduate students (mostly women) left; the

30 or so who remained were older, more male, and more "hard-core."

The next day, about 150 protesters held a rally to demand the removal of a controversial Confederate statue known as Silent Sam. As it was erected in honor of fallen Confederate soldiers, many claim the statue's mere presence on campus reaffirms racism and white supremacy.

Those events raise two major issues. The first is how the university handled the protests: Did officials maintain order and preserve free speech? The second concerns the character and intentions of the protesters. Were they willing, or even capable, of listening to reason?

It appears the university did extremely well in handling the protests. All events were almost entirely problem-free.

Despite the protesters' oft-excessive passion, they did not interrupt Gorka's speech or the Silent Sam protest. It seems that the university's newly implemented free-speech policy has been effective. Participants at both the public forum and within the auditorium where Gorka spoke were warned that anyone who substantially interrupted the event would be subject to university disciplinary action and possible arrest, and would be escorted out of the building.

The protesters have a dark edge. One of the Gorka protest leaders, who declined to give either his name or affiliation, said the chant



It only takes a small — but loud and aggressive — group to attract disproportionate attention and place administrators in deferential straitjackets.

"Every nation; every race; punch a Nazi in the face," was meant literally. "It's a proven political practice," he explained. "If you punch a Nazi today, you may not have to fight a war later."

When pressed about where the line is drawn for somebody he suspects of being a Nazi but without much evidence supporting the suspicion, he asked for a specific example. Of President Trump, he sardonically suggested and affirmed: "if it smells like ... if the shoe fits."

As for whether a majority of students want to "silence Sam," further prodding suggests most students aren't particularly opinionated on the issue. When the Martin Center informally surveyed 26 UNC-Chapel Hill students about Silent Sam, the majority expressed neutrality or mild concern — not exactly matching the protesters'



CAMPUS PROTESTS. Roughly 55 protesters gathered outside a speech by Sebastian Gorka, former deputy assistant to President Trump.

zealous plea to "tear it down!"

Nevertheless, as seen elsewhere, it takes only a small — but loud and aggressive — group to attract disproportionate attention and place administrators in deferential straitjackets.

UNC-Chapel Hill should be applauded for taking precautions to prevent violence while protecting students' right to free speech and giving them a forum to air grievances. Still, the school must remain vigilant, and administrators must firmly hold their ground and avoid

the temptation to capitulate to the protesters' excessive demands.

If the latest national trends in student protester movements indicate anything, it's that small pockets of angry students are growing increasingly influential in their ability to shape university policy.

Shannon Watkins is a policy associate at the James G. Martin Center for Academic Renewal. Jay Schalin is an author and a member of the National Association of Scholars.

ECONOMY

Trade plays critical role in N.C. economy



Bryan Riley
Senior Policy Analyst
Heritage Foundation

Free trade continues to take hits in national public policy debates. **Bryan Riley**, senior policy analyst in trade policy at the Heritage Foundation, defended free trade during a recent speech to the John Locke Foundation's Shaftesbury Society. He shared themes from the speech during a conversation with Mitch Kokai for Carolina Journal Radio.

MK: The trade we've talked about for a number of years being important to the American economy and the North Carolina economy, you've actually taken a look at some of the details of just how important it is. What should people know?

BR: Every year at Heritage, we produce a report called the "Index of Economic Freedom," where we rank about 180 countries around the world, look at their policies, compare them to U.S. policies. I think a lot of people probably won't be surprised to learn that countries that are more open, they have more freedom [and] are more prosperous than those that are closed.

I think one famous example of that is if you look at a map of the Korean peninsula at night, you can just see the line. South Korea is all lit up and North Korea — there's nothing there. So I think a lot of people here in the United States instinctively understand more freedom is a good thing. That's what we were founded on.

Well, it turns out the same goes for trade policies. Countries that are more open to international trade and investment are more prosperous. It's a little bit more controversial to talk about trade policy sometimes than just the big picture of economic freedom.

But if you look at a state like North Carolina, since 1994 when the North American Free Trade Agreement, NAFTA, took effect, the state's added about 50 percent to its manufacturing output. Its economy is 2 1/2 times bigger. You've added about 1 million new jobs.

Now, are those all because of NAFTA? No, of course not. But kind of the world President Reagan envisioned back in the '80s, where there are few barriers to international trade and investment, creating opportunities here in the United States, and creating stronger economies around the world so we have more export markets, that's kind of the direction that I think we need to continue to move.

MK: Now, some people are going to hear us and say,



FREE TRADE ADVOCATE. Bryan Riley defended free trade during a speech in Raleigh.

"Wait a minute. Ever since NAFTA came in we've heard about textile mills closing down. Ross Perot was right about the giant sucking sound of jobs to Mexico." What's the response to people who think that free trade is not all it's cracked up to be?

BR: There's a grain of truth to that. Let's face it: North Carolina doesn't have as many textile and apparel jobs as it did in 1993. It doesn't have as many furniture jobs as it did in 1993. Now, does that mean we want to turn back the clock to '93 and try and get those jobs back? I think that would really be a mistake.

The benefits of trade are really similar to the benefits of new technologies. We can complain about the lost furniture jobs. We can complain about the lost Blockbuster jobs because nobody rents videos anymore. They download it or stream it. And I think it's a real big mistake to focus on one particular sector of the economy. Let's look overall at what's going on.

Overall, the state has hundreds of thousands of jobs that depend on exports. Many, many more jobs today depend on foreign investment that creates jobs for people here in North Carolina, than jobs in the furniture or textile and apparel industries. We do need to have good policies from Washington, D.C., that make it easy for people to

find new jobs and easy for industries to be created. I think that's why we need to encourage and not blame trade for problems that, a lot of times, are a result of economic problems created by politicians.

But I really think it's important to emphasize the fact that, with trade and new technology, there are winners and losers. How can we have an environment that allows for the creation of more winners and bigger winners so that overall everybody's better off?

MK: You mentioned an interesting word, "winners," which is a word that our president likes to use quite a bit. But President Trump has not always been a fan, at least on the campaign trail and in his spoken remarks, of free trade. Is this something that has been an impediment to making the case for free trade — the fact that the White House has not always been as vocal for free trade?

BR: The president of the United States has the bully pulpit, and people hear what he has to say. And, increasingly in the Republican Party, more Republicans are skeptical of free trade than they were before President Trump came onto the scene. I think that's because it's an issue where, in many cases, people don't have strong opinions. "I'm a Republican. A Republican president says

it's bad. Well, it must be bad." So part of what we do at the Heritage Foundation is try and educate people about the economic facts so that they can make up their own minds. I think the positives from the Trump administration are twofold. First of all, their goal is to have a stronger, faster-growing economy that creates jobs. And to me, protectionist trade barriers that would restrict our freedom would undermine that goal. I hope they understand this.

And also, behind the rhetoric, a lot of times, is a focus on opening foreign markets to U.S. exports. "Oh, it's not fair," is the rhetoric. And in many cases, they're right. Foreign countries do have barriers to our exports. So if the focus is how can we encourage other countries to embrace economic freedom so we have more exports and more opportunities, I think that's constructive.

The idea that trade is bad and we're losing, I certainly disagree with that. Trade, by definition, consists of millions of mutually beneficial transactions, win-win transactions. It's not a win-lose like some people seem to think.

MK: When you have a chance to chat with people and share this type of information, do you find that most people, once they hear the facts, are willing to go along with the notion that free trade's good?

BR: Most people are. There are just some facts that some of us in the policy community know and assume that everybody knows. For example, U.S. manufacturing output's never been higher. And they hear, "Well, we don't make anything anymore." It's simply not true. We make more than we ever have, coming out of the recession in the 2000s.

I was just in Alabama. They had a Mercedes factory, a Hyundai factory, Honda factory, and they understood the importance of having good policies to attract foreign investment and were really concerned about the direction that we may be going with NAFTA negotiations. If those go south, they are concerned they might not get any more auto plants in the future.

Or here in North Carolina, there are so many success stories of companies that have been able to export, or the huge amount of jobs, hundreds of thousands of jobs, that depend on foreign investment. Those are typically good jobs there.

Not to take anything away from the furniture or textile and apparel industries, but the new jobs typically pay more than the old jobs. The catch is that a lot of times they need some training and education to equip people for those jobs. So that's part of the challenge that I think we face.

MK: ... Do you think this is the type of issue that we're going to continue to need to have education about, moving forward?

BR: It's an ongoing issue. There are always special interests in D.C. who try and get special treatment. And all free trade is about is really not giving people special treatment, making it so that when the people that listen to this show, when you earn your paychecks, or I earn my paycheck, I get to decide how to spend my dollars, not somebody in D.C. based on who's got the best lobbyist. That's going to be an ongoing concern. I think the best way to address that is to have good trade agreements.

STATE GOVERNMENT

State treasurer talks about career, future

INTERVIEW



Dale Folwell
State Treasurer

State Treasurer **Dale Folwell** knows how to pinch pennies in both his state government role and in his personal life. He showed up at *Carolina Journal* for an interview with Associate Editor Dan Way, pleased to explain a sack brimming with hot dogs. It was half-price day at Snoopy's. Folwell spoke with characteristic wit, self-deprecating humor, and candor, supported by his ever-present stack of dog-eared graphics and flow charts bulging from his briefcase. The treasurer holds one of the most powerful positions in state government, with 21 statutory and constitutional duties — from community colleges and pensions to the State Health Plan and unclaimed property. Folwell previously served four terms in the state House and as assistant secretary in the Department of Commerce. He lives in Winston-Salem with his wife, Synthia. They are the parents of Anna and Stephen.

This is the first part of a series of interviews with Folwell.

DW: You come from a blue-collar background. How did that experience inform your philosophy about public service?

DF: My mother was a single parent raising three children, and I was fortunate from the age of 10 or 11 to surround myself with people who expected the best out of me but also wanted the best for me. Sometimes when you're in certain economic environments people want to hold you back. But I was fortunate just to be surrounded by people who, when they thought it was time for me to go, it was time for me to go do something a little bit higher and to stretch. They taught me a lot of things. Integrity, ability, and passion. You can be world-class at the last two, but if you don't have the first one, eventually it won't matter in life if you don't have integrity. Integrity's about what you do when no one else is watching, and when you make a mistake, which we all do, you disclose it. You don't wait for somebody else to discover it. As keepers of the public purse we find that integrity is just a very important word because one out of 10 North Carolinians get a check from me every 30 days. We're paying out almost \$800 million every 30 days right now — pension, health care, pharmacy, and other, just for active and retired state employees.

The other blue-collar part is I was taught don't let anything get between you and your work, and when people ask for volunteers to raise their hand for the toughest job, always raise yours. And I can tell you this is the toughest job I've ever pursued.

DW: What attracted you to public service?

DF: In 1989 I ran for city council because I saw little things within the government of Winston-Salem that I thought my blue-collar background would bring some value to. Most of my life was either as a garbage collector, a truck loader, or a mechanic. For example, we were putting our police officers in danger by not



FOLWELL ON HIS BACKGROUND: "I was taught don't let anything get between you and your work, and when people ask for volunteers to raise their hand for the toughest job, always raise yours."

allowing them to drive their cars home, and we were wearing out the cars quicker than we should have. As I was running for city council I was thinking about [how] could we increase the service life of a police vehicle, and make that vehicle safer, and provide visual representation of the Police Department 15 hours a day while that cop is not on the beat, back in the local neighborhood. Everybody's behavior changes when they see a police car, whether it's full or empty. So that's the kind of mind-set that sort of got me in public service. It often doesn't come off well in print, but generally speaking people who go into public service think they can do something better maybe than somebody else can. I think I'm really good at this, and I enjoy it. And those are two important things to do in life.

DW: You served four terms in the legislature, rising to speaker pro tem, the second-highest leadership position in the House. Do you ever regret leaving the legislature?

DF: I don't. I was highly successful — you know six of those years [were] in the minority party — and because when I first got to

Raleigh I focused on saving lives, saving minds, and saving money, and it didn't matter if it was Speaker [Joe] Hackney, or Speaker [Jim] Black, or President Pro Tem [Marc] Basnight, or Gov. [Mike] Easley or [Bev] Perdue, who by the way, those two governors signed every piece of my legislation, 29 major pieces. But if you found a way even in the minority party to save a life, save a mind, and save money, people would listen. And then very early on I gravitated toward the toughest issues that really no one wanted to deal with, that most people thought couldn't be accomplished, no matter what party you were a member of. So I continued to pursue that. The reason that that's important is we're in an era now very similar to the Beatles back in 1965. They went off tour because literally John could not hear Paul sing, and the audience could not hear them sing, because everybody was just literally screaming past each other. So they said if we're just going to sing and can't hear [ourselves] sing, why don't we just go back in the studio and sing, which they did. And that's where we are in our society right now. It's very difficult to inform people. Everybody wants to

be affirmed about what they already feel about a subject. What I've always done in the legislature, what I did as assistant secretary of Commerce at Employment Security was to inform people about how this issue of unemployment impacts everyone, even those that aren't unemployed. That's what I continue to do as treasurer.

DW: You have been widely credited with eliminating a \$2.5 billion unemployment insurance debt to the federal government while running the state Division of Employment Security. What practical benefit did that have for the taxpayers of North Carolina, and what did it say about your leadership abilities?

DF: I want to be very clear. Other people were the brains, and I was the mule. But every team needs one. The credit for retiring that debt, and building this [\$1 billion] surplus in 31 months goes to the employers of this state. These employers are the ones that pay in to the unemployment trust fund. The second piece of credit goes to the General Assembly, who rewrote the unemployment laws for the first time in four decades. But the third piece of credit is one that you don't hear about often, and that is to the hard-working employees of our state agency, who, generally speaking, not many had ever listened to them. They had some fantastic ideas about how to reform the system, how to keep the money away from those who didn't deserve it, and how to get it correctly and quickly to the ones that did. But no one had ever listened to them. The third piece of credit for that reform goes to the people of that agency who came up with those ideas that seem so simple, and that's why I carry the bowling pin around normally. That bowling pin was given to me by somebody who's bowled 12 perfect games that worked at that agency. And it represents the fact that to a bowler, that's not a pin, that's a problem, and there's 10 problems in a lane. They don't have a

ball for every problem, so they have to have clarity of thought, and they have to have things in the right sequence. That's what I try to do as state treasurer. When we're talking about the 26th-largest pool of public money in the entire world, it's very important that we have clarity of thought and have things in the right sequence as we try to solve these massive unfunded liabilities. There's only 12 states as we sit here that have the AAA bond rating. This time next year there will be fewer. My goal is if any one state has the AAA bond rating that it's going to be North Carolina.

DW: You were the first Republican elected state treasurer in North Carolina in more than a century. What cultural and structural challenges did you encounter upon assuming office?

DF: To some degree people didn't think anything was wrong. When we're the largest purchaser of health care in North Carolina, when we spend more in this State Health Plan for active and retired employees on prescription drugs and health care than is appropriated to the entire university system, or than is appropriated to justice and public safety, and we have that much buying power, we should be able to do it better and more efficiently on behalf of the participants of these plans and the taxpayers of this state. Our family premium this year for some of our entry-level employees, they have to work five out of every 20 work days of every month to pay the family premium. The largest purchaser of something ought to do it better and more efficiently on their behalf. That's on the health plan. In terms of the pension plan, the fees, when [former treasurer] Harlan Boyles left office were \$50 million a year. Last year they were \$650 million a year. So, on the pension plan we set about the process of figuring out where the money was, how well it's doing, who has it, and how much are they paying us, and are our participants, not Wall Street, getting value.

COMMENTARY

EDITORIAL

The trickle is in fact a river

WHEN DEMOCRATS attack pro-growth tax reform as “trickle-down economics,” the charge is silly on multiple levels. For one thing, every Democratic officeholder tries to recruit business executives, entrepreneurs, investors, and high-value professionals to their communities.

All producers and consumers make choices that define and drive an economy. But in every economic system, the decisions made by some human beings have a larger effect than those made by others.

These leaders exercise disproportionate sway for a variety of reasons. Some lead companies that employ hundreds, thousands, or tens of thousands of people while delivering goods and services to many more. Others invent new products, create new firms and industries, or develop new ways to finance and market them. Still others invest large pools of money and help determine which new (or old) businesses gain the capital to invest and expand.

These leaders (ideally) obtain and preserve their influence through voluntary exchange in the market. Other leaders gain influence by getting elected or appointed to public office, developing and marketing ideas that attract a large public audience, or heading up major nonprofit institutions.

To be sure, not only elites matter. Private-sector leaders who make poor decisions risk losing their incomes, jobs, and influence. Government officials do, too — although incumbent politicians are typically harder to displace than incumbent CEOs.

Without question, the fate of North Carolina’s economy, or that of particular regional and local economies within our state, depends largely on whether key economic leaders want to live, work, invest, or create businesses here or somewhere else.

Democrats and progressives fully accept this premise. Some even accept the premise that tax policy is a useful tool to attract and keep those economic leaders. It’s why they endorse and award targeted tax incentives to politically favored firms (such as manufacturers or tech companies) or politically favored industries (such as renewable energy).

But they reject the premise that reducing taxes for all executives, entrepreneurs, investors, and high-value professionals brings broad economic benefits. They argue lower taxes won’t attract more of these individuals to North Carolina, and virtually none of the tax savings will “trickle down” as more jobs or higher incomes.

As an empirical matter, they are mistaken. Most peer-reviewed studies of state and local economies link stronger economic growth to lower taxes, particularly on corporate and personal income.

A new paper by Enrico Moretti of the University of California at Berkeley and Daniel Wilson of the Federal Reserve Bank of San Francisco looked at location decisions by “star scientists” — those ranking in the top 5 percent nationally in the number of patented inventions.

Such scientists disproportionately were found in states with lower personal and corporate income taxes. “[T]here are enough firms and workers on the margin that relative taxes matter,” Moretti and Wilson concluded.

Few Democrats or progressives question the social value of attracting top-performing scientists. They help create innovation economies with lots of localized spillover effects — new companies, more jobs, higher incomes that are spent on other goods and services.

The effect is hardly a trickle. It’s a river.

Licensing regulations get in the way of putting people to work



BECKI GRAY
SENIOR VICE PRESIDENT
JOHN LOCKE FOUNDATION

John Locke said, “All wealth is the product of labor.” He wasn’t referring to just money when he said “wealth,” and when he talks of “labor” he means work.

Locke’s reference to wealth includes dignity, happiness, confidence, satisfaction, independence, and freedom. In today’s terms, I would argue that work holds power. It’s the key to personal happiness, to fulfillment, and is necessary for humans to flourish. Numerous studies confirm people with meaningful work are happier. Fulfilling work is more important than money.

Studies also tell us not working isn’t good. People who don’t work are less likely to marry and more likely to divorce. Suicide and alcohol abuse rates are higher for non-working folks. Expect an increase in incidence of life-threatening diseases and a shortened lifespan when people don’t work. The best way out of poverty is a job.

Yet government creates barriers for people to work, discouraging small businesses from growing and limiting entrepreneurs’ ability to participate in a free market and to create jobs. North Carolina’s regulations cost the state more than \$25 billion in 2015.

Why does government make it harder for people to work?

North Carolina requires a government-issued license to practice more than 100 professions, and we rank as the 17th-most broadly and onerously licensed state. Jobs such as barbers, tour guides, and sign-language interpreters are burdened with hours of training, testing, costly fees, and annual renewal expenses.

A better path would be eliminating all unnecessary licenses, moving to voluntary certification instead of state-sanctioned licensing, reducing requirements, and replacing lock-out policies with inclusive, common-sense guidelines.

Low-income job hunters are impacted particularly hard because of the costs associated with obtaining a license. Low-skilled workers looking for good-paying jobs in the trades are locked out. Rural communities are falling even further behind in job growth because of



LET PEOPLE WORK.

limitations in obtaining a license to work.

North Carolina professes to be a military-friendly state, yet military spouses and family members are subject to unreasonable costs in time and money to pursue jobs of their choice. There’s limited recognition of licenses from other states or countries, putting up a “Not Welcome to N.C.” sign to people looking for a state in which to relocate, work, and contribute to our economy.

People getting out of prison are prohibited from even applying for many licenses. When they can’t find work, many revert to previous bad choices, driving up recidivism rates.

Reforms in Michigan provide in-prison training in fields such as welding and plumbing for qualified inmates. Many will receive their certification before leaving prison, ready to work upon release.

Generous welfare programs, intended to give people a hand up, have become structured in such a way that it’s more beneficial financially to receive benefits

than to work. Work requirements — looking for work or training for work for work-capable adults — would encourage people to move off welfare.

Apprenticeships are a good way to offer an alternative path to licensure, allowing applicants to earn while gaining skills. A Connecticut bill allows apprenticeship training to fulfill the training requirement toward obtaining a cosmetologist’s license.

Other occupational skills lend themselves to apprenticeships, rather than classroom training and tests. The N.C. Department of Commerce encourages apprenticeships between workers and employers with classroom and on-the-job training, but they would be wise to leave details to participants.

It’s great to have a job but even better to create jobs. North Carolina not only puts up barriers but also makes it harder to start and grow a business. Small businesses make up 98 percent of businesses in the state and employ 46 percent of the work force.

Small family business owners complain of regulations as an impediment to investment and growth, even more so than taxes. Whether it’s requiring timely payments to vendors who do business with the state, making permitting more timely and available online, coordinating federal, state and local regulations, or making capital available through small community banks, policymakers should look for ways to make it easier to start and grow a business.

With a cumbersome and often duplicative permitting process, expansion decisions are often delayed by months or even years, taking millions from our economy.

Policy makers would do well to concentrate on opportunity, rather than on roadblocks.



COMMENTARY BY JOHN HOOD



Transit will waste tax dollars

NORTH CAROLINA is urbanizing. Charlotte has an extensive transit system including rail lines, and the Triangle is embarking on a major expansion of transit service, including some rail. Leaders in the Triad, Asheville, Wilmington, and other places are also talking about large-scale transit systems.

Do these developments excite you, annoy you, or bore you?

Count me among the annoyed. While most North Carolinians, even urbanites, have no plans to use transit on a regular basis, they believe others will — and that such a shift of commuters from cars to buses or trains will make it easier to drive to and from work. Such politically appealing notions bear little relationship to reality. Outside of New York and a few other large cities, transit accounts for a tiny fraction of daily travel. That's not going to change.

In the Charlotte area, transit is used for about one-half of a percent of all trips, about 3 percent of all commuting, and just 4.4 percent of the commuting to and from the center of the city. In Raleigh, the shares are even lower — two-tenths of a point for all trips, 1.1 percent for all commutes, and 2.1 percent for downtown commutes.

The issue of how to invest in transportation rarely is confined to practicality. A recent set of polls by the Pew Research Center found about 70 percent of the group of voters it calls solid liberals say they would prefer to live in communities where “the houses are smaller and closer to each other, but schools, stores, and restaurants are within walking distance.” On the other hand, about 70 percent of those classified by Pew as conservatives say they prefer communities where “the houses are larger and farther apart, but schools, stores, and restaurants are several miles away.”

To the extent government regulation inhibits the dense neighborhoods that many urban progressives desire, I'd end it. But not enough residents will join the progressives in those places, and give up their cars, to justify large-scale transit systems. That's not in North Carolina's future. Alas, lots of wasteful spending is.

Revenue trend doesn't merit panic

North Carolina has collected less state revenue so far than projected for the 2017-18 fiscal year, to the tune of about \$134 million. Alarm about this would be premature, but the trend does illustrate the need for prudent budgeting.

North Carolina continues to outperform the national and Southeastern averages on most measures of economic growth. Economic vitality, in turn, drives fiscal trends. Virtually all state budget deficits occur during recessions, when layoffs and flat incomes crimp government revenue at the same time demand surges for services such as public assistance and community college enrollment.

Could our state's slower-than-projected growth in revenue be an ominous sign of things to come? It's possible, yes, although other explanations are also possible. Here are several compelling reasons not to jump to conclusions just yet.

First, while \$134 million is a sizable sum, it amounts to about 1.9 percent of total General Fund revenue for the first four months of the fiscal year. Revenue forecasting is inherently fuzzy. Being above or below the baseline a percentage point or two is not uncommon. Total General Fund revenue is still up slightly from last year, by \$20 million.

Second, what occurs during the first third of a fiscal year isn't



FISCAL PRUDENCE. The GOP-majority General Assembly has built significant cushions into the state budget to guard against unforeseen shortfalls.

necessarily predictive of conditions present by the end of the fiscal year. A disproportionate share of income tax revenue, for example, arrives in the spring. The Christmas season accounts for a disproportionate share of sales tax revenue. It's just too early to draw firm conclusions.

While North Carolina's General Fund revenues to date of \$7.16 billion are a bit below projection, they are still higher than the General Fund spending to date of \$6.81 billion. In other words,

the state budget has a net cash surplus so far this fiscal year of \$350 million. It's not running a cash deficit.

Of course, my third observation is subject to my second observation. That is, expenditures also aren't evenly distributed across the year. We can't yet conclude that North Carolina won't end up with a deficit by next spring.

That's where the state's recent fiscal prudence enters the picture. Rather than heeding the counsel of Gov. Roy Cooper, most Demo-

cratic lawmakers, and the interest groups allied with them to spend more and save less, the GOP-majority General Assembly has built significant cushions into the state budget to guard against unforeseen shortfalls.

North Carolina's rainy-day fund now stands at \$1.8 billion. Add in nearly \$500 million in Medicaid reserves and an unreserved General Fund balance of \$400 million, and it becomes clear that the state's current cash surplus of \$350 million can disappear or even go somewhat negative by the end of the 2017-18 budget year without becoming a harbinger of doom.

That's why prudent governments — like prudent organizations of any kind — maintain savings reserves in the first place. Savings reserves have proven to be indispensable as a tool of fiscal conservatism, given that politicians often respond to unforeseen budget deficits or other fiscal emergencies with tax hikes, including “temporary” ones that end up lasting a long time or becoming permanent.

If revenue continues not to meet projections and falls below expenditures by next spring, Gov. Cooper and state lawmakers will have to take action. They should plan accordingly, but not panic.

John Hood is chairman of the John Locke Foundation and appears on the talk show “NC SPIN.” You can follow him @JohnHoodNC.

EDUCATION

Parents count when judging schools

IF STUDENTS in charter schools perform no better on standardized tests than their peers in district-run public schools, should North Carolina limit or stop the growth of charters?

It's an important question for policymakers. While charter-school enrollment remains only a small fraction of the total population of K-12 students, it's growing rapidly.

To ask my question is not to grant that charter schools are failing to deliver superior academic outcomes. According to the database of peer-reviewed studies I maintain, the research to date leans in favor of a positive charter-school effect, although not overwhelmingly.

At the risk of oversimplifying a complicated topic, charter schools are more variable than district schools. A higher share of charter schools than of district schools can be found on the right side of the student-achievement curve — demonstrating high performance, adjusted for student characteristics — as well as on the left side of the curve, denoting low performance.

Moreover, charters that have been around for many years tend to produce better results than startups do. This means that studies conducted years ago aren't as informative as recent studies, which reflect a more mature sector with consistent high-performers.



Parents aren't just seeking higher academic performance for their children when they exercise school choice. They often place a high value on such factors as safety, discipline, proximity, and stronger relationships with teachers, administrators, and communities.

Such an effect may be evident in the work of Duke University professor Helen

Ladd and her colleagues. In 2006, she co-authored a paper published in the journal *Education Finance and Policy* that showed North Carolina students in charter schools performing substantially worse in academic growth than their counterparts in district schools.

This year, Ladd co-authored a paper in the same journal. Its initial findings were quite different: North Carolina charter students in recent years have posted larger test-score gains. After further study, she and her co-authors concluded at least some of the differential could be attributable to high-performing students transferring into charters. That still meant at the very least that charters were no

longer laggards.

If Ladd's research findings are sufficiently valid and broad, what about her policy conclusion: Stop “throwing money” at charters? Charter schools don't cost more than district schools. They cost less. “Throwing money” at charters isn't an apt description of current policy. Parents aren't just seeking higher academic performance for their children when they exercise school choice. They often place a high value on such factors as safety, discipline, proximity, and stronger relationships with teachers, administrators, and communities.

Charter schools are growing rapidly because there is widespread parental demand for them.

COMMENTARY

Charter schools: If only more parents realized they have a choice



JOHN TRUMP
MANAGING EDITOR

A good percentage of North Carolinians think charter schools are private schools. A recent SurveyUSA poll found just 37 percent of the people surveyed believe charter schools are public schools, which they are. But 44 percent don't, and 19 percent are not sure.

That's quite a disconnect. But it isn't atypical, says Terry Stoops, vice president for research and director of education studies at the John Locke Foundation.

"It usually does not impede legislation because state think tanks and charter advocacy groups do a good job of educating lawmakers about charters."

It's another story when we talk about educating parents, who, says Stoops, are used to thinking about schools in dualistic terms, meaning public and private.

"Charter school boards, teachers, and administrators need to take the lead here. By far, they have the greatest incentive to explain to parents and their communities what a charter is and what it has to offer. Indeed, the sustainability of their enterprise depends on their ability to educate parents

and their communities."

The media is usually good about telling people charters are indeed public schools, says Stoops.

"The problem is that they have a tendency to leave out charters in discussions of public school policy generally. The class-size debate is one example of this."

Charter schools, according to the state Department of Public Instruction, are public schools of choice authorized by the State Board of Education and operated by independent nonprofit boards of directors.

"State and local tax dollars are the primary funding sources for charter schools, which have open enrollment and cannot discriminate in admissions, associate with any religion or religious group, or charge tuition. Charter schools operate with freedom from many of the regulations that govern district schools, but charter schools are held accountable through the state assessment and accountability system."

To be clear, charter schools get public money, albeit not as much as traditional public schools. State law prohibits charters from receiving state and local capital funding.

Charter schools are growing exponentially, nevertheless.

North Carolina has 173 charter schools with some 102,000 students.

While the state legislature removed the cap on the number of charter schools that may operate in the state, a cap on student

enrollment growth remains. The enrollment cap forces schools that could otherwise accommodate more students to limit the number of seats available, necessitating the lottery selection process.

"In the past year," the *Charlotte Observer* wrote in January, "charter schools gained 9,630 students while district schools lost about 3,400, the average daily membership reports show. Seventy-five of the state's 115 districts reported fewer students this year than last year."

Charter schools, to stay relevant and viable, largely depend on the schools' parents, who must ensure their children can get to and from school — most charters don't have buses — and fund the enterprise in myriad ways, including both with their time and their money.

Raleigh Charter High School, for instance, is widely considered one of the best — if not the best — public high schools in North Carolina, and one of the top charter schools in the United States.

Yet getting in is no easy feat, regardless of a student's academic acumen or any connections their parents may have. For the 2017-18 school year, 1,252 students applied for admission to Raleigh Charter. Through a lottery, the school accepted 71 rising ninth-graders, as well as 79 rising ninth-grade siblings.

Ponder, if you will, those numbers.

It's a competitive process that begins with the lottery and con-

tinues in the classroom. Courses are challenging and rigorous, and students have at least a couple hours of homework each night. But students are there because, most honestly, their parents want them to be. The parents realize — as do most students after a time — that life consists of a series of challenges and obstacles, uneven parameters, and an incessant need to shift and to adapt.

Though difficult at times, it's a necessary lesson in life, giving students a veritable jump toward college or other pursuits.

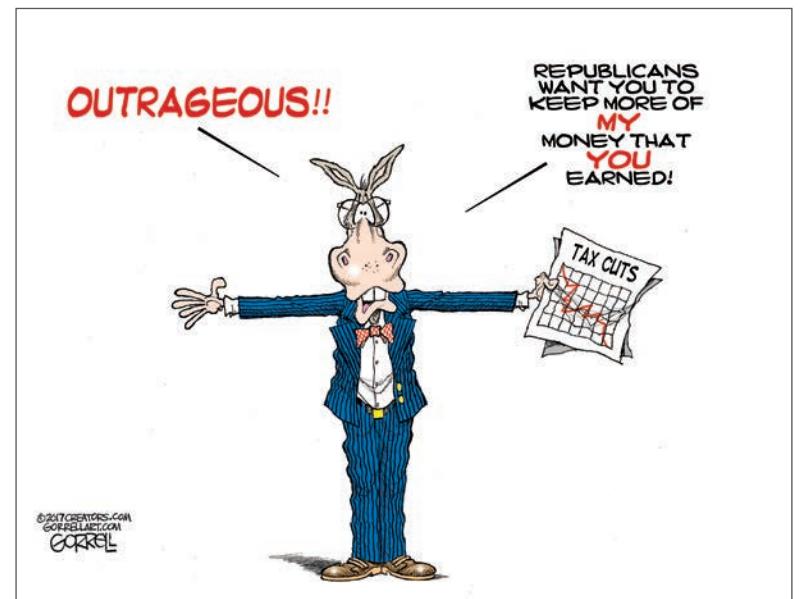
Parents have a stack of reasons for choosing the schools their children attend, but many times they don't choose at all, an outcome

that often presents itself in the form of frustrated, disengaged, distracted — and even unruly — students.

On a personal level, our children — now high school freshmen — have attended either magnet or charter schools since kindergarten. Because we wanted them to.

My wife and I often shook our heads in unison when, while talking about our children and their school, our friends would say, "Yes, but you pay for them to go there."

We all pay for public schools, we would say. If only more people realized they have a choice. If only more people really cared that they do.



Can good behavior sometimes cost you more?



MICHAEL WALDEN
COLUMNIST

THERE'S AN OLD saying: "No good deed goes unpunished." I was reminded of it during a recent radio call-in program in which I was the guest. The topic was the conservation of resources, such as water or electricity, which is both encouraged and applauded.

A caller related a story in which he conscientiously reduced his water usage during a dry summer, only to be "rewarded" with an increase in the price per gallon he paid. Since then, he said, he has ignored all calls to conserve.

I understand the caller's frustration. Yet there's a logical explanation based on the peculiar economics of large projects with

big up-front costs. To explain, I have to take a short detour into the economics of costs.

Any business contends with two kinds of costs: fixed and variable. Fixed costs are costs spent before the making of any product or service can occur. Consider a restaurant. A facility such as a store or a truck must be acquired and equipped before any meal is made and served.

Very important, a commitment is usually made to pay the fixed costs for a certain time. The payment can be rent if the facility and equipment are leased, or a loan payment if the facility and equipment are bought with borrowed funds. These payments are owed regardless of whether the business is successful.

In contrast, variable costs occur only as each unit of the product or service is provided. Continuing with the restaurant example, meals are the result of using labor to combine and process food ingre-

On the economics of conservation

dients. The labor and the ingredients are the variable costs. The restaurant can buy fewer ingredients and lay off some workers if it wants to cut variable costs.

Fixed costs and variable costs differ in relative size for different kinds of businesses. Contrast a gym and a personal trainer. Most of a gym's costs are fixed costs, mainly in the facility and equipment like weights, treadmills, and bikes. The variable costs include staff who check in members and water for showering.

In contrast, the fixed costs of a personal trainer are mainly the costs of certifications the trainer can acquire to demonstrate competence to clients. The major costs for a personal trainer are the costs of time in working with clients.

Since the trainer can set this time at her or his discretion, this is a variable cost.

With this background, I'm ready to reveal the answer to the caller's complaint about paying for conserving water. The fixed costs for a city to provide clean water to its residents are enormous. To build a typical reservoir and associated piping costs billions of dollars. On the other hand, the variable costs of releasing water from the reservoir through the completed piping system and on to customers are minor in comparison.

In the private economy, businesses with huge fixed costs rely on selling more units so they can spread small parts of the fixed costs over many customers. This is one reason why gyms frequently have promotions to attract new members. Each new member who covers his variable costs and contributes something to fixed costs helps the gym stay in business. But if a gym doesn't earn enough

to pay fixed costs, it will quickly go out of business.

Therefore, when residents are asked to conserve water and water usage drops, municipal water systems may not collect enough revenues to cover their fixed costs — which mainly are the loan payments on money borrowed to build the reservoir and piping. But unlike a gym, water systems can't go out of business. They are a public utility, and water is a necessity of life. The only recourse is to raise the rates for using water.

There's another solution — build more water capacity, so during dry times conservation may not be needed. But that means more huge fixed costs and additional payments by customers to pay those costs.

There's no free lunch — or water.

Michael Walden is a Reynolds Distinguished Professor at N.C. State University. He doesn't speak for the university.

COMMENTARY

N.C. State making little effort to promote viewpoint heterogeneity



ANDY TAYLOR
COLUMNIST

Like just about every university and college these days, mine — N.C. State University — spends millions each year on a sprawling bureaucracy advocating racial, gender, and other types of “cultural” diversity.

A university should be a marketplace of ideas to be discovered, understood, analyzed, and debated. Students and research produced should be rigorous, judicious, and worldly. A public university where taxpayers, parents, and students pay well more than 50 percent of the nearly \$1.5 billion annual tab should reflect the values of its stakeholders. But N.C. State’s leadership, despite asserting “cultural” and “intellectual” diversity are equivalent, has made no real purpose or direct effort to promote viewpoint heterogeneity on its campus.

In October I fielded an Internet survey of students enrolled in our introductory American government classes. The goal was to understand a little more about the state of the school’s intellectual



[Students] perceived the faculty as more extreme. Only 8 percent of respondents believed most of their professors were to the ‘right’ of them personally.

diversity. I got 200 responses. The results were interesting and more than a little disheartening.

Students in the survey were, by broader standards, left of center — 44 percent affiliated as “Democrat,” and about one-third considered themselves “conservative or libertarian” when characterizing their ideology. Yet they perceived the faculty as more extreme. Only 8 percent of respondents believed most of their professors were to the “right” of them personally, and 49 percent said they were to their “left” — the remainder believing instructors were either generally the same or distributed equally to their left and right. It’s not surprising conservative and Republican students felt the most “uncomfortable” voicing their

opinions. For example: 41 percent of Republicans said they would be “extremely,” “moderately,” or “slightly” uncomfortable discussing the H.B. 2 “bathroom bill” in class, and 14 percent of Democrats responded this way.

The survey suggests the source of this discomfort. Respondents were more concerned about how their classmates and professors would respond to their attitudes than their views being circulated on social media and getting them in hot water with university administrators. It seems it’s classroom dynamics, not the wider world, that influence what students say and hear from peers in their courses.

Other data reveal more serious and plausibly intimidating and discriminatory effects. Unfortunately, there just weren’t enough minority students in the sample to do any meaningful analysis on race, but 53 percent of participants were women. In my study, 16 percent of respondents said they were treated “badly or unfairly” on campus because of their sex or gender “every day,” “more than once a week,” or “every few weeks.” This compares to 23.5 percent who chose the same responses when asked about their political views — these students were mainly, although not exclusively, conservatives, libertarians,

and Republicans. A quarter of women said they received bad or unfair treatment regularly because of their sex or gender. Nearly as many — 19 percent — said they did so as a result of their political views.

I’m in no way suggesting students’ experiences at N.C. State as a result of their politics are comparable with sexual harassment, let alone anything as heinous as sexual assault — and public data show the university does have to deal with serious incidents of sexual violence. But, according to this survey at least, anyone claiming systematic and continual unfair treatment of female students on campus must recognize classmates face regular challenges because of their political views.

I think it’s reasonable to say the survey uncovers material negative consequences of the climate on campus. A sizable minority of students, generally with right-of-center opinions, feel they get treated unjustly as a result of their views on a frequent basis.

It’s not as though the students don’t want intellectual diversity. The 2015 N.C. State “Campus Climate” survey reported about 84 percent of undergraduates “agreed” or “strongly agreed” that “fostering intellectual diversity should be a key goal.” That was 10 percentage points higher than the

proportion that agreed with the statement “enhancing students’ ability to participate effectively in a multicultural society should be a part of the university’s mission.”

UNC system leaders must expressly recognize broad inquiry and freewheeling debate are central features of the kind of education they say they want and encourage practices for admissions, hiring, curricula, and speakers who promote intellectual heterogeneity. Formally broadening the mission of existing diversity operations would help, too. As currently constituted, they enforce conformity yet don’t cultivate debate and the exploration of different ideas.

Let’s start investing in what the American Association for the Advancement of Science believes to be the true meaning of a liberal education — a mode of learning that “produces persons who are open-minded and free from provincialism, dogma, preconception, and ideology; conscious of their opinions and judgments; reflective of their actions; and aware of their place in the social and natural worlds.”

Andy Taylor is a professor of political science at the School of International and Public Affairs at N.C. State University. He does not speak for the university.

We’ll be seeing lots of 2020 Democratic hopefuls in N.C.



MARC ROTTERMAN
COLUMNIST

AS WE MOVE into 2018, speculation over who will emerge as the 2020 Democratic nominee for president will begin in earnest.

In my view, the early front-runner is U.S. Sen. Bernie Sanders, the Independent socialist from Vermont. Coming seemingly out of nowhere in 2016, Sanders gave Hillary Clinton a run for her money for the Democratic nomination.

Sanders was a major force — winning 23 states and garnering more than 13 million votes. He was the champion of progressives and younger voters. On the campaign trail, he spoke passionately about income inequality and a “rigged” system. His message resonated with a significant percentage of the base, and his supporters were enthusiastic and energetic.



DEMOCRATIC HOPEFUL. Vermont Sen. Bernie Sanders speaks to a crowd.

Since losing the primary to Clinton, Sanders has worked at getting closer to labor unions and has been polishing his foreign policy credentials. Sanders’ main obstacle may be his age. He will be 79 on Election Day in 2020.

Which brings me to Sen. Elizabeth Warren from Massachusetts.

Warren, a former Harvard law professor, is the darling of the Left and a leading contender for the 2020 nomination. Her no-holds-

barred style and her attacks on banks and the financial industry have ingratiated her to the progressives of her party. In addition, she is one the fiercest and most vocal critics of President Trump.

In short, she’s a fighter. And like Sanders, she is working on her national security credentials. Not long ago, she became a member of the Senate Armed Services Committee.

At the time of the next election

she will be 71, but that is three years younger than President Trump will be.

Making the much-needed generational change for the Democrats at age 47 is Sen. Cory Booker of New Jersey — one of three African-Americans now in the U.S. Senate.

He came to the Senate in a special election 2013 and was elected to his first full term in 2014. Make no mistake: Booker is a rising star in the Democratic Party. He’s telegenic and media-savvy.

Booker’s not reflexively anti-business. He could be a bridge between the center-left and the progressives in the party. On the downside, he may be seen as too close to corporate America for the base of the Democratic Party.

Another rising star is Sen. Kamala Harris, serving in her first term from California. She is the daughter of an Indian-American mother and a Jamaican-American father.

Many women across the political spectrum consider her a barrier-breaker in that she was the first black elected to the U.S.

Senate from California. She also was the first black woman elected as attorney general in the Golden State.

In July 2017, Harris met in the Hamptons with many of the Clintons’ biggest donors, fueling speculation of her further ambitions.

Rounding out the field are Clinton, who continues to make news, along with Govs. Terry McAuliffe of Virginia and John Hickenlooper of Colorado — both key swing states.

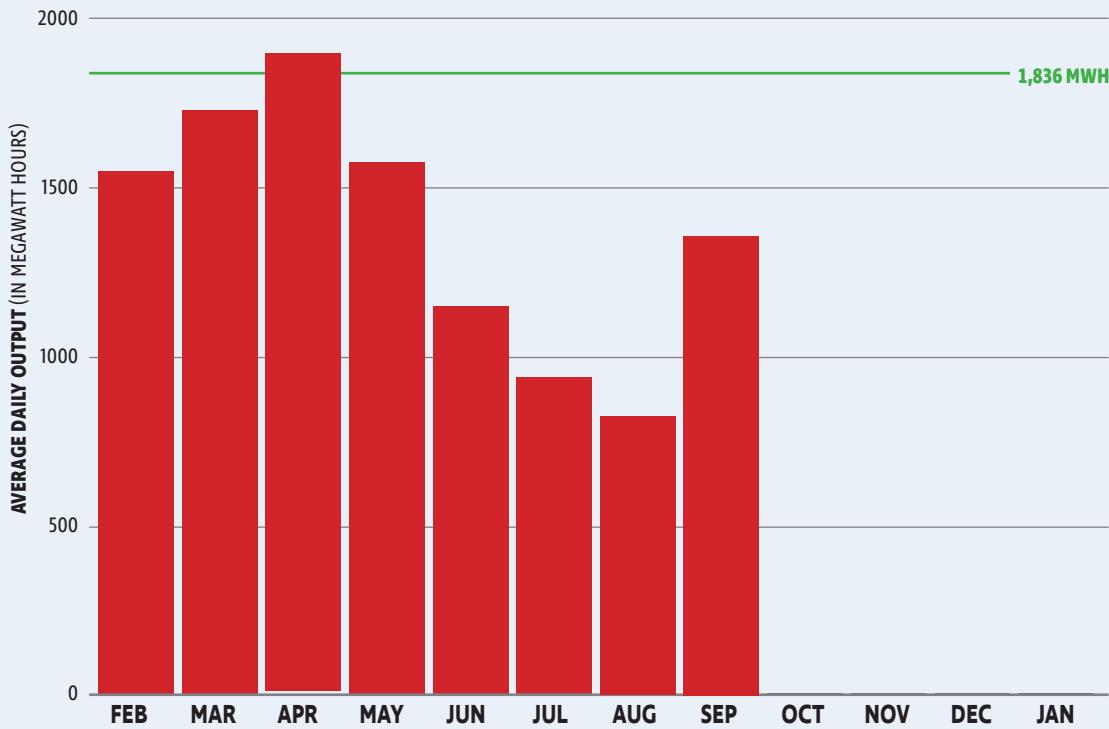
Other honorable mentions should include former first lady Michelle Obama, former 2016 vice presidential nominee Sen. Tim Kaine of Virginia, Gov. Andrew Cuomo and Sen. Kirsten Gillibrand of New York, and billionaire environmental activist and major Democratic donor Tom Steyer.

One thing is for sure: We can expect to see many of the contenders here in North Carolina in 2018, as the Tar Heel State is now a must-stop on the road to the presidency.

Marc Rotterman is host of “Front Row,” a weekly public-affairs program on UNC Public Television.

Amazon Wind Farm - Wind Meter

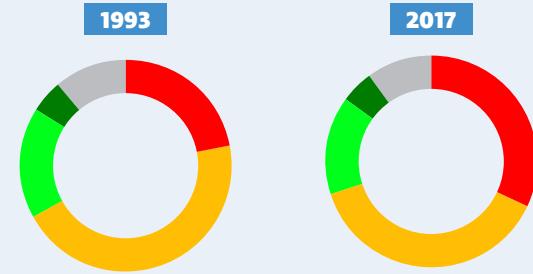
The operator of the 208-megawatt Amazon Wind Farm near Elizabeth City has said it will generate 670,000 megawatt hours annually, or about 1,836 MWh each day. February 2017 was its first full month of operation.



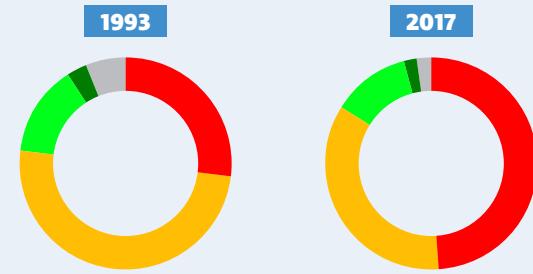
SOURCE: U.S. Energy Information Administration

POLLS

How much of a problem is sexual harassment at work in North Carolina?



How much of a problem is sexual harassment at work in the United States?



- VERY SERIOUS PROBLEM
- SOMEWHAT SERIOUS PROBLEM
- NOT VERY SERIOUS PROBLEM
- NOT AT ALL SERIOUS PROBLEM
- DON'T KNOW/NO ANSWER

High Point University Survey Research Center called 469 respondents Nov. 10-16. The margin of error is plus or minus 4.5 percent. University of North Carolina at Chapel Hill's School of Journalism and the Odum Institute for Research in Social Science administered the Carolina Poll during Oct. 3-7, 1993, and sampled 311 adults. The margin of error is plus or minus 5.6 percent. Both surveys used telephones to reach respondents.

N·o·D·a BREWING COMPANY®

← NODABREWING.COM →



TAPROOM OPEN DAILY: 2921 N TRYON ST, CHARLOTTE, NC 28206

SUPPORTING OUR COMMUNITY BY CREATING LOCAL JOBS AND QUALITY CRAFT BEERS SINCE 2011.



To get more information about the **CORPORATE PARTNER** program, call us at **919.828.3876**.

