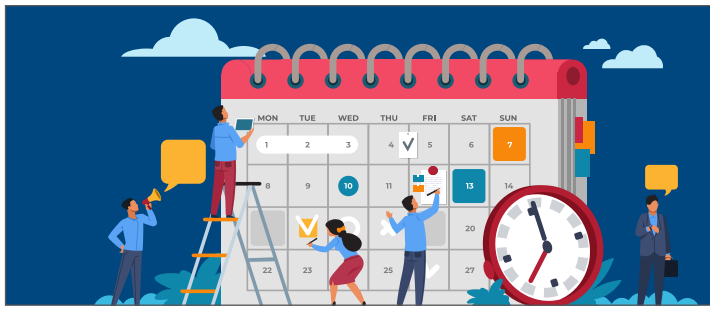

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Lawmakers deal with unrest, orders, vetoes

KARI TRAVIS
ASSISTANT MANAGING EDITOR

During a 2020 legislative session immersed in financial doubt and civil unrest, Republican lawmakers flailed against Gov. Roy Cooper's veto power, fighting executive orders they say hurt North Carolina.

It's a political game, much like the 2019 standoff over the General Assembly's $24 billion budget bill, which Cooper vetoed.

But now, in an election year, the stakes are higher, and a sense of dejection hangs in the air. COVID-19 shutdowns have sucked life from the state's economy.

Riots have left N.C. cities battered and boarded up. Arguments over Confederate monuments have led to illegally felled statues and more raucous protests.

Amid it all, the General Assembly slogged its way through its 2020 short session. Lawmakers passed COVID-19 relief bills, injecting the state with $1.6 billion from the federal Coronavirus Aid, Relief, and Economic Security Act.

They slashed at Cooper's executive orders and tried to reopen the economy. Passed a slew of "mini budgets" to keep the state run-

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NEW YEAR

NEW SESSION

NEW PROBLEMS

Legislature passes mini budgets
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Best-selling author of *The Rational Optimist* discusses the role of innovation in the post-COVID-19 world.

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FROM THE PUBLISHER

Rule of law … or mob rule?

Mob violence seems to be the rule across the nation's historic landmarks, indiscriminately tearing down or vandalizing everything from General U.S. Grant to Cervantes to monuments to the "Greatest Generation." This is especially true in cities and states with Democrat executive leadership, including North Carolina.

Finally, in a few places we see a glimmer of hope for the rule of law.

In Washington's Lafayette Square, park police were allowed to stand their ground to prevent a mob from rioting and toppling a statue of President Andrew Jackson. Regardless of what you think of North Carolina's native son and seventh president, facing down the mob is cause for celebration. Good for law enforcement for using pepper spray to do it.

In Seattle, the romance may be gone from Democrat Mayor Jenny Durkan's "summer of love," along with Durkan's rose-colored vision for "democracy" in the CHAZ turned CHOP, six blocks of mob rule within the city's Capitol Hill area. Things there turned violent over a weekend. Apparently, having no duly elected recognized rule

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COMMENTARY BY JOHN HOOD

Defunding the police is absurd

If most Democrats truly believe the proper response to the George Floyd case — and that of others killed during interactions with law enforcement — is to "defund the police," they are dangerously out of touch with reality.

The vast majority of North Carolinians, like their counterparts around the country, were sickened and upset by the death of George Floyd. They'll support reasonable steps to enhance police procedures and training. They'll support efforts to hold police departments and their employees accountable for egregious errors.

But defund the police? The public will never support such an absurd proposal.

Now, I know many who say they support "defunding the police" don't mean it. They don't mean getting rid of taxpayer-funded police and sheriff offices altogether.

Even if we try to understand the idea conceptually, not literally, though, it's still foolish and unpopular.

When ABC/Ipsos asked a nationwide polling sample if they favored the movement to "defund the police," 64% of respondents said no. Then the respondents were asked, more specifically, about "reducing the budget of the police department in your

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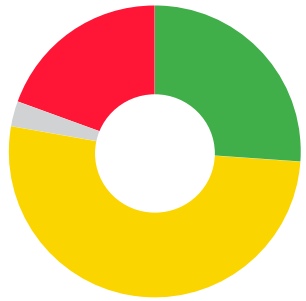
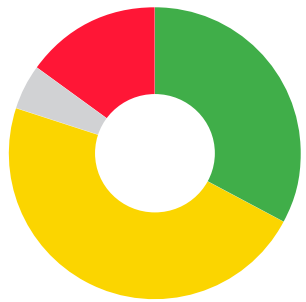
Reopening North Carolina



Speed of Reopening

North Carolina entered Phase Two of Gov. Roy Cooper's economic reopening plan on Friday, May 22. Meanwhile, other Southeastern states have opened sooner, such as South Carolina and Florida, which began broadly reopening May 4. In your opinion, has Cooper's economic reopening been too fast, too slow, or about right?

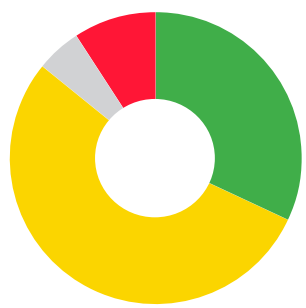
- TOO SLOW **26%**
- TOO FAST **19%**
- ABOUT RIGHT **51%**
- DON'T KNOW/REFUSED **3%**



Restrictions on Reopening

Phase Two of Cooper's economic reopening plan allows restaurants, salons and pools to open at 50% capacity. However, other venues, such as gyms, movie theaters, museums, and playgrounds, must remain closed through at least June 26. Do you believe that this phase of the economic reopening is too restrictive, not restrictive enough, or about right?

- TOO RESTRICTIVE **33%**
- NOT RESTRICTIVE ENOUGH **15%**
- ABOUT RIGHT **47%**
- DON'T KNOW/REFUSED **5%**



Restrictions on Reopening

Phase One of Cooper's reopening plan lasted two weeks, while Phase Two will last at least five weeks — or until June 26. Do you think the length of Phase Two is too short, too long, or about right?"

- TOO LONG **32%**
- NOT SHORT **9%**
- ABOUT RIGHT **54%**
- DON'T KNOW/REFUSED **5%**

Harper Polling, on behalf of the Civitas Institute, surveyed 500 likely general election voters from May 26-28. The margin of error is plus or minus 4.38%. Some results may not add up to 100% because of rounding.

All systems go (for now) in planning for N.C. State Fair

ALL SYSTEMS GO. Judges inspect entries at the N.C. State Fair's goat show. Planning for the N.C. State Fair is under way, even as things remain uncertain because of COVID-19 and Gov. Roy Cooper's lockdown orders.

QUICK TAKES

Community college board debates police training as system expects enrollment surge

BY JULIE HAVLAK

The State Board of Community Colleges clashed about spending more than $100,000 on police training as community colleges brace for what could be an unprecedented spike in enrollment.

During a tense meeting June 5, board members voted to beef up police de-escalation and community relations training as protests over the killing of George Floyd continued. The debate over police training arose as the N.C. Community College System faces both a surge in enrollment and tight budgets from the COVID-19 shutdown.

North Carolina boasts the nation's third-largest community college system, but students could soon overload it. Community college enrollment traditionally rises and ebbs with unemployment — and more than 1 million people have filed for unemployment benefits in North Carolina. Some community colleges are already seeing upticks in summer enrollment, but school officials aren't certain those upticks will spike in the fall.

FILE PHOTO

WAKE TECHNICAL COMMUNITY COLLEGE'S NORTH CAMPUS. **Summer enrollment at Wake Tech has jumped 19% from 2019.**

N.C. Community Colleges President Peter Hans pointed to the state's expected $3 billion to $5 billion budget shortfall. During the Great Recession, Wake Technical Community College's enrollment soared 28% in three years, and lines for registration sometimes stretched outside the building and across the parking lot.

But the college struggled to meet student demand as funding levels remained stagnant, Wake Tech President Scott Ralls told *Carolina Journal*.

Even before the pandemic, Wake Tech had waitlists twice as large as some of its programs. Already, summer enrollment has jumped 19% from 2019, and students' nonpayment has risen with it, Ralls said.

Asheville-Buncombe Technical Community College can absorb a 10% increase in enrollment, Joseph Barwick, A-B Tech Community College interim president, told *CJ*.

"If it's too much more than that, we won't have the money to offer the classes," Barwick said. "If there's a tremendous spike, it's going to be a stretch, and the last thing we want to do is turn away students."

Hans argued community colleges break down racial disparities by offering more affordable education.

"Our colleges strive to tear down barriers, overcome historical inequities, and provide economic opportunity for all," Hans said.

Whether community colleges can offer that opportunity to all students depends on funding and enrollment.

"That's the community college dilemma," Ralls said. "Enrollment goes down when budgets are good, so there's no funding during those times. But when enrollments are spiking, there's not budget funds. It's a total catch-22."

Some community colleges are beginning to restart in-person programs. But reopening hit another snag after rioting and curfews blocked night classes.

Board member William Holder — a Wake County business owner and the brother of former U.S. Attorney General Eric Holder — called for measures to ensure money was being used effectively. The board couldn't provide concrete measurements, but it's talking with Wake Tech and others to allocate the funding.

"The time is overdue for us to examine police operations and police relationships with the communities in which they work," Holder said. "But if I don't do what I'm trained to do it's money wasted."

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STATE GOVERNMENT

Governor orders monuments removed from Capitol, won't say who ordered police to leave

BY RICK HENDERSON

Democratic Gov. Roy Cooper ordered Confederate monuments on the grounds of the State Capitol removed "to protect public safety." But he won't say who allowed a mob of protesters to take over the Capitol grounds earlier, toppling statues from two of those monuments.

In a statement issued June 20, Cooper said he was "concerned about the dangerous efforts to pull down and carry off large, heavy statues and the strong potential for violent clashes at the site. ... Monuments to white supremacy don't belong in places of allegiance, and it's past time that these painful memorials be moved in a legal, safe way."

Cooper failed to elaborate on the "violent clashes" as peaceful celebrations of Juneteenth were winding down. Protesters tried to pull down the statues late that afternoon. Capitol Police turned them back, and a skirmish broke out. Then the law officers withdrew.

That night, without resistance, protesters removed the statues. They hoisted one statue from a lamp post. They dragged the other through the streets, leaving it at the Wake County Justice Center. State Capitol Police then took the statue and dispersed the crowd.

Officials won't explain why police officers withdrew or who gave that order.

A spokeswoman with the Department of Public Safety, the agency overseeing State Capitol Police, wouldn't say who gave the order for officers to stand down after police and protesters clashed near the United Daughters of the Confederacy monument. She told *Carolina Journal* State Capitol Police Chief Chip Hawley was the "incident commander" but refused to elaborate on who ordered police to leave the scene.

WIKIMEDIA

WHO GAVE THE ORDER? United Daughters of the Confederacy monument before it was removed.

"With the continuously evolving and volatile environment on the State Capitol grounds Friday evening, along with the ongoing threat to public safety, actions taken by [State Capitol Police] were intended to protect protesters, bystanders, and law enforcement," DPS spokeswoman Pamela Walker told *CJ*.

"One person was arrested and charged with assault on a law enforcement officer, trespassing, and unlawfully resisting, delaying, or obstructing a public officer.

"Other arrests and charges may be forthcoming."

Walker responded to an email *CJ* sent to Cooper spokesman Ford Porter; the governor's attorney, William McKinney; and DPS Secretary Erik Hooks. The email also asked:

- Why reinforcements from other agencies weren't called to help
- Who will be held accountable for the damage to the historic property
- Why weren't those responsible arrested immediately

CJ didn't receive immediate answers.

The following morning, workers removed two other Confederate monuments from the Capitol grounds.

Republican leaders aren't buying Cooper's talk of taking out the statues in a "legal" way.

Senate leader Phil Berger, R-Rockingham, said the buck stopped with the governor.

"I'm aware of only one person in this state who has final authority over state law enforcement. Did Gov. Cooper order the police to abandon the Capitol grounds? If not, who is in control of this state?

"Leadership is not ceding the law to a mob. Leadership is not avoiding the politically challenging questions, hoping to hang on until Election Day."

State historic monuments and markers are supposed to be protected from damage or removal by a 2015 law.

It says "a monument, memorial, or work of art owned by the State may not be removed, relocated, or altered in any way without the approval of the North Carolina Historical Commission."

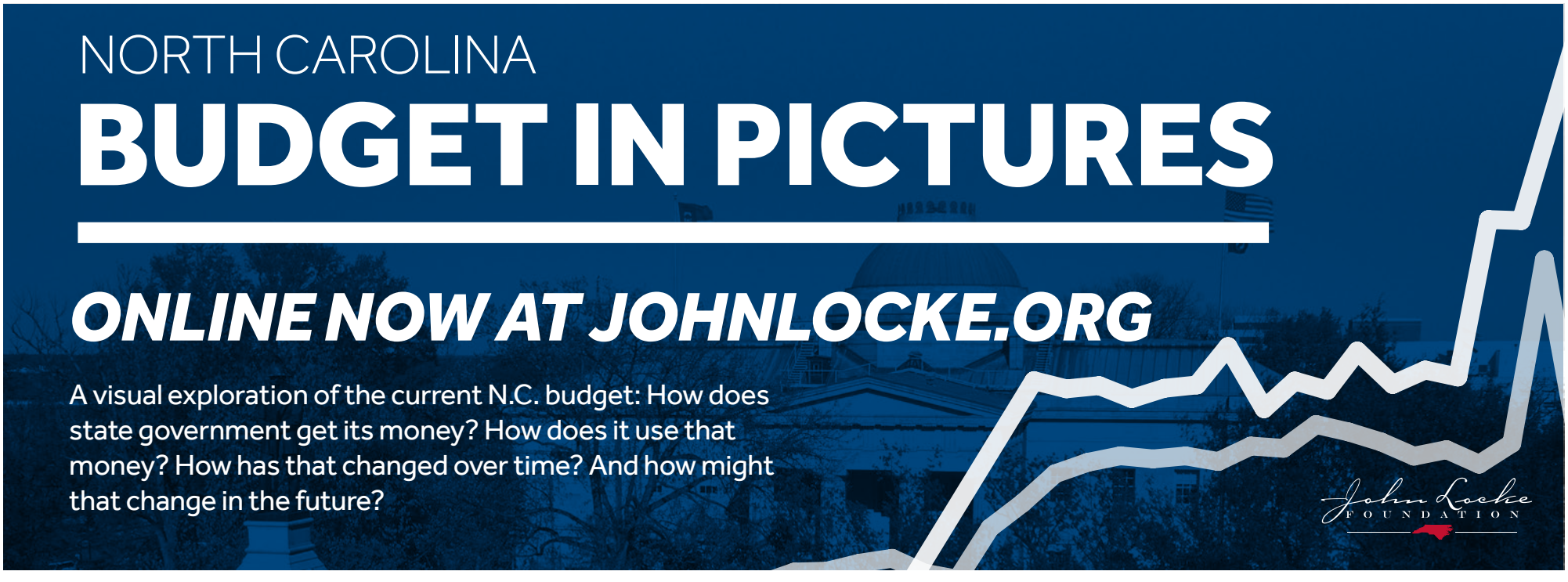
It provides an exception if building inspectors or other officials find the object "poses a threat to public safety because of an unsafe or dangerous condition."

Monuments in Durham, Greensboro, and Fayetteville, along with "Silent Sam" on the UNC-Chapel Hill campus, were removed without the Historical Commission's approval.

Both Cooper and Senate Minority Leader Dan Blue, D-Wake, called for the monument law's repeal.

In a statement, Lt. Gov. Dan Forest, Cooper's Republican opponent in the 2020 election, said Cooper had no excuse for letting protesters take over the Capitol grounds.

"Last night's destruction occurred on state property, right next to [Cooper's] office. It is clear that Gov. Cooper is either incapable of upholding law and order, or worse, encouraging this behavior. ... When our elected leaders turn a blind eye to chaos, destruction, and disorder, society begins to unravel," Forest said.



HIGHER EDUCATION

N.C. Community College System President Peter Hans elected to lead UNC

BY KARI TRAVIS

UNC-TV IMAGE

NEW PRESIDENT. Peter Hans, president-elect of the UNC System, when he accepted the position June 19.

While the University of North Carolina System has a new president, the N.C. Community College System is left seeking applicants for its top job.

The UNC Board of Governors on June 19 unanimously elected NCCCS President Peter Hans to lead the 17-campus university system. Hans, who took the community college job in 2018, is a great leader and the best pick for UNC, Scott Shook, former community college board chair, told *Carolina Journal*. Since 1997, Hans has served six years on the community college board and three terms on the UNC board, acting as BOG chairman for two years. He worked as an adviser to former UNC President Margaret Spellings beginning in 2016.

"Congratulations to my dear friend and colleague Peter Hans, who has committed his career on state and national levels to advancing and enriching the lives of all North Carolinians," Spellings said in a Friday news release from UNC.

Spellings resigned in 2018, fewer than three years into her five-year contract. The former U.S. education secretary left UNC after board politics and infighting overshadowed her job. Harry Smith, the bombastic former board chairman who caused conflict during Spellings' administration, resigned last year.

Hans signed a five-year contract with UNC. His base annual salary is $400,000 — $375,000 less than the base salary accepted by Spellings when she took the job in 2016. UNC interim President Bill Roper made a $775,000 base salary during his 18 months at UNC.

Hans' start date is Aug. 1. Beginning July 2021, the president-elect is eligible for "incentive compensation of up to $600,000 in addition to his base salary on an annual basis, based on three measurable goals." Those goals are:

1. Increase on-time graduation for first-time and transfer undergraduates.

2. Reduce education and related expenses per degree completed.

3. Reduce the average student loan debt of bachelor's degree recipients as a percentage of per-capita income.

The board will set specific metrics "in consultation with the president," says a term sheet from the university. Hans will get incentive money only if he's still working for UNC at the time of the payout, terms say.

Randy Ramsey, who graduated from Carteret Community College, is the current BOG chairman. Ramsey is a vocal supporter of community colleges, telling *CJ* in February that he supports more partnerships across systems.

"I really believe we've got to find a way for our K-12, community colleges, and university system to work closer together," Ramsey told *CJ* in that interview. "I think we miss a lot of opportunities because we don't communicate as often as we should.

> **Peter Hans has done tremendous work as president of the N.C. Community College System, and he's the right choice for UNC System President. That we all agree on Peter is a testament to the respect he commands as an able, competent leader.**
>
> - Gov. Roy Cooper, Senate leader Phil Berger, and House Speaker Tim Moore

"I've often said I wished that all three [systems] were based in the same building, and share the same coffee pot or the same water cooler so [staffers] run into each other and could [trade] ideas about how we could improve the system," Ramsey said.

Now Hans, who led 58 community colleges through the COVID-19 shutdown, will navigate for UNC as it grapples with pandemic fallout. The president-elect holds a leadership role on the myFutureNC commission, a working group to raise education performance in North Carolina.

"I have suggested in our conversations that the university can learn from the community colleges," Hans said after his election. "How to stretch a dollar a little bit more effectively."

Hans said he'll advocate for NCCCS while leading UNC. Students should be able to transfer easily from a community college to a UNC school, he said.

Higher education is clearly too expensive, Hans said.

"The traditions of higher education are rich and meaningful, but we must resist the urge to rest on our laurels. ... The university of the people must embrace change."

Hans didn't say what those changes might look like.

"Stay tuned," he said.

Hans' election was met with enthusiasm from Republican leaders of the N.C. General Assembly and Democratic Gov. Roy Cooper, who emailed a statement before his presidency was official.

"Peter Hans has done tremendous work as president of the N.C. Community College System, and he's the right choice for UNC System President. That we all agree on Peter is a testament to the respect he commands as an able, competent leader."

Under Hans' leadership, community college enrollment climbed 4.4% last year, with 53 of 58 campuses reporting higher enrollment. The legislature gave NCCCS money for short-term work force training, technology updates, and career coaches in high schools.

The community college board was scheduled to meet to discuss an interim president, Hans told *CJ*. The system is in excellent condition and will continue to do well, he said.

"The university system is very fortunate to have Peter Hans as its next president," said Bill McBrayer, vice chair of the State Board of Community Colleges. "He is a strategic, visionary, and compassionate leader who has guided our community colleges with great success. We wish him the best in his new role, and we look forward to continued partnerships with the UNC System."

Hans is a native of Southport and grew up in Hendersonville. He received his bachelor's degree from UNC-Chapel Hill and his master's degree from Harvard University.

He was a research fellow at the John Locke Foundation and assistant editor of *CJ* from 1993-94.

STATE GOVERNMENT

Competing task forces from governor, lawmakers await clear direction, deadlines

BY LINDSAY MARCHELLO AND KARI TRAVIS

Problems with policing and race relations must be dealt with, North Carolina's leading politicians say. But meeting to talk about the issues doesn't guarantee change, experts say.

Many North Carolinians are asking lawmakers to do something, as the country continues to face civil unrest after the death of George Floyd, as well as COVID-19.

Instead of calling for legislation after the protests and riots, the governor and lawmakers responded as they often do: by creating task forces.

On June 4, House Speaker Tim Moore, R-Cleveland, and Gov. Roy Cooper, a Democrat, announced commissions to tackle pressing issues in law enforcement, community relations, and disparities in communities of color. The announcements came amid escalating social turmoil and election-year politicking.

Cooper created the Andrea Harris Social, Economic, Environmental, and Health Equity Task Force to identify and fix inequities in health care, environmental justice, and the economy. He directed the Pandemic Recovery Office to distribute money fairly to all businesses in need, including those owned by minorities.

Machelle Sanders, secretary of the Department of Administration, will head the group. No one has been named to the task force so far, but Cooper said membership will represent all demographics.

A few days later, Cooper created another task force. During a June 9 news conference, the governor announced the N.C. Task Force for Racial Equity in Criminal Justice. Attorney General Josh Stein and state Supreme Court Associate Justice Anita Earls will lead the group, seeking ways to end systemic racial bias in the justice system.

Cooper's latest task force is an exercise in political cowardice, Senate Republicans said in a news release.

"It permits him, as he did today during his pre-screened press conference, to avoid taking positions on any politically challenging issues, instead passing off responsibility to his new task force," Senate Republicans said.

Moore's new Task Force on Justice, Law Enforcement, and Community Relations was announced about an hour before Cooper's Andrea Harris task force. The speaker's group will include lawmakers, law enforcers, clergy, and civil rights leaders. It will look at data and research to advise legislation, Moore told *Carolina Journal*.

The task force is a bipartisan effort, Moore said. Reps. John Szoka, R-Cumberland; Kristin Baker, R-Cabarrus; and Howard Hunter, D-Hertford, will act as co-chairs.

What's the goal? *CJ* asked Moore. What specific changes do you hope to make?

"I don't have any predetermined or preconceived outcome," Moore told *CJ*.

The simple goal is getting people from all backgrounds to sit at a table and hash out ideas, opinions, and solutions, Moore said.

"I don't in a million years think a group of lawmakers are going to be able to meet and fix the problems of racism," Moore said. "But I think we can make steps in that direction. I think we can see the determinations."

Task forces are a mixed bag in North Carolina — as they are in many other states, said Chris Cooper, a political scientist at Western Carolina University.

"At their worst, they are a way for politicians to claim to voters that they are paying attention to an issue, without actually following through," Cooper said. "At times, however, they can provide the time and resources for a group to gather opinions and evidence and find better policy solutions than they would have otherwise."

A good example is the N.C. State Constitution Study Commission in 1968, led by former Gov. Dan Moore. That group paved the way for the state's third constitution, Cooper said.

Another example is the N.C. Commission on Administrative Law and Justice, headed by former N.C. Chief Justice Mark Martin. Some of its findings were used to back North Carolina's milestone "Raise the Age" legislation in 2017.

North Carolina has seen countless task forces over decades, Chris Cooper said, many influential. Those study commissions include one on migrant labor in 1982, one on mental health in 1988, one on electricity deregulation in 1997, and one on higher education in 1993.

Most recently, the House Select Committee on COVID-19 successfully met and negotiated a relief package, which passed the General Assembly unanimously. That effort is evidence task forces work when it comes to forming consensus legislation, Moore told *CJ*.

POOL PHOTO

TASK FORCE ONE. Machelle Sanders, secretary of the North Carolina Department of Administration, will lead the Andrea Harris Social, Economic, Environmental, and Health Equity Task Force.

POOL PHOTO

TASK FORCE TWO. State Supreme Court Associate Justice Anita Earls, left, and Attorney General Josh Stein, will lead the N.C. Task Force on Racial Equity in Criminal Justice.

Task forces are usually effective only with bipartisan support, said David McLennan, a political scientist at Meredith College.

"Governor Cooper's task force on racial inequities is necessary but may produce recommendations that would be difficult to pass in a time of divided government," McLennan said.

Indeed, study groups offer policymakers an opportunity to deal with issues in greater depth and detail than the normal public policy process, said Mitch Kokai, senior political analyst at the John Locke Foundation. But there's no evidence a task force will be more effective than a typical legislative debate, Kokai said.

"It's hard to point to a particular task force in the recent past and say that it made the difference between a good idea getting passed or falling by the wayside," Kokai said.

Legislative task forces — like Moore's — are more likely to make policy changes, Chris Cooper said, since they are "connected to policymakers who have the ability and the incentive to pursue their recommendations."

Still, without accountability, the work of any task force can be pushed aside and forgotten. The topic of a study, too, can affect whether the legislature or governor adopts recommendations, McLennan said.

"Very controversial issues with broad policy recommendations often lead to task forces doing little other than producing a report," McLennan said.

Public scrutiny helps turn reports and recommendations into legislative action, Chris Cooper said.

"It's more difficult for politicians to dodge recommendations if the people know about it," he said.

The governor's task force is set to meet at least twice monthly during the statewide emergency over COVID-19. Its first report to Cooper is due Dec. 1 — after the fall election, perhaps as Cooper's term is ending.

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LOCAL GOVERNMENT

Cooper order throws local governments into financial havoc

BY JULIE HAVLAK

An executive order giving people a break on utility payments threw local governments across North Carolina into financial havoc.

In late March, Gov. Roy Cooper's executive order banned utility providers from disconnecting nonpaying customers.

The executive orders aimed to protect people from losing water, electricity, natural gas, sanitation, or wastewater services during the COVID-19 pandemic. Cooper extended the order in May to last until the end of July.

The extension caused other problems. State Treasurer Dale Folwell says the executive orders are driving local governments into potential economic and financial peril. Local governments are on the hook to pay for residents' utilities as nonpayments surge statewide.

The coronavirus hammered tax collections when shutdowns began in March. Now, officials expect sales tax revenue to plunge 20% to 30%, along with shrinking hotel occupancy fees and damage to property taxes.

The town of La Grange filed a lawsuit in Lenoir County Superior Court, challenging the constitutionality of the order. Town leaders said the order's extension crippled their ability to repay the debt on their electric system and keep it fiscally healthy.

"There's no juice, no cushion. It's bone on bone," Folwell said. "This is not Duke [Energy] with billions of dollars in reserves. These are the cities themselves who have to pay their bills, some of which have barely recovered from the last recession."

CJ PHOTO BY RICK HENDERSON

NO CASH OR CARRY. Boarded-up businesses, like these in downtown Raleigh, can't generate taxes for local governments.

Increases in utility rates, property taxes, and decaying infrastructure could result should shutdowns and nonpayments continue, advocates for local governments say.

"What's a printable word for that? Bad," Folwell said. "It becomes nearly mathematically impossible not to do those things."

Elizabeth City warned of a 30% spike in its utility rates after 2,300 customers failed to pay for services. Roughly 30% of its utility customers now qualify for disconnection, and the city has applied for a waiver of relief from Cooper's executive order.

Folwell called for local governments to have more autonomy to decide utility payments.

"What is that going to do to all the people who are on the edge? They're out, they're done," Folwell said. "The city has to get the money somewhere, and no one knows their customer better than the local city councils that have found the balance between the city and citizens for decades."

More than 150 local governments made the Local Government Commission's watch list for risk of insolvency before the pandemic. Folwell fears the shutdowns could force the state to take over the finances of dozens or even hundreds of troubled entities. He says the LGC isn't staffed to handle such a surge.

The N.C. Department of Health and Human Services set aside $26 million to help poor residents pay rent and utilities.

"The governor's moratorium on evictions and utility shutoffs is the only thing keeping many families in safe and stable housing," DHHS Secretary Mandy Cohen said in a June 15 news release. "This flexible funding will allow our Community Action Agencies to continue to meet a wide array of needs in our communities, including helping families remain in their homes when the moratorium is lifted."

April's unpaid utility bills would swallow nearly half of that funding. That month, customers racked up $12.1 million in late fees and penalties for utilities. Almost 454,000 households and businesses became eligible for disconnection.

The executive order only delayed utility payments. Customers remain responsible for their bills, but local governments fear some will never pay.

After the order expires, there's a six-month ban on charging fines or interest on late payments.

"What happens when months go by and people haven't paid? Will they ever be able to pay their bills to make up those back payments?" Scott Mooneyham, a lobbyist for the N.C. League of Municipalities, told *Carolina Journal*. "Clearly some of those costs are going to be written off, and they're never going to be paid."

After the Great Recession in 2008, local governments scrambled to balance their budgets. Across the state they froze hiring, abandoned capital projects, paused maintenance, and increased fees for service, according to a UNC School of Government report.

But cost-cutting by utilities is more complicated, said Mooneyham. Utilities bear so many fixed costs that cuts usually postpone needed maintenance.

"Those things add up over time. You end up in a worse and worse situation," Mooneyham said.

Local government advocates want Congress to provide more flexibility with federal coronavirus relief funds, Paige Worsham, general counsel for the N.C. Association of County Commissioners, told *CJ*.

"This is not a good time to raise utility rates, when the economy is hurting," Mooneyham said. "If you raise rates too high, you're cutting off your nose to spite your face. If you cause a major business to leave, you haven't made that system more sustainable."

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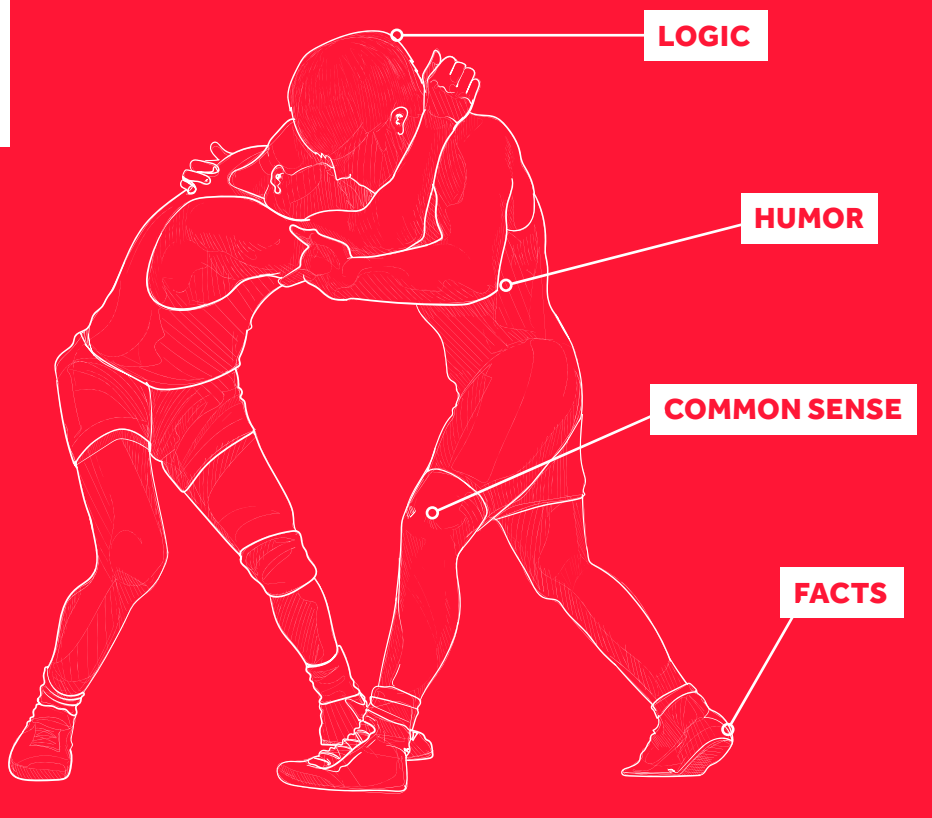

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COVER STORY

Lawmakers deal with unrest, orders, vetoes

continued from PAGE 1

ning. Socked away roughly $2 billion in federal money to fill gaps in the budget.

Meanwhile, small businesses — now tasked with enforcement of the governor's statewide face mask rule — are floundering. And Cooper, who's issued a long string of emergency orders since March, so far has blocked each bill that would've shortened some economic effects of his pandemic response.

When Cooper moved North Carolina into a slimmed-down Phase Two of his COVID-19 reopening plan in May, some businesses could reopen. Others could not. While restaurants set tables and fired grills, salons opened for haircuts and manicures, and pools splashed into business, gyms, bars, and a handful of other "nonessential businesses" remained closed. Republican lawmakers tried, twice in June, to enact bills that would have thrown a lifeline to those businesses. In both cases, Cooper vetoed them. A bill to reopen skating rinks and bowling alleys also made it through the General Assembly. As of press time, Cooper was expected to veto that, too.

In the waning hours of June 25, lawmakers introduced a third bill to reopen gyms and bars. The two previous bills required the Council of State, the state's top 10 elected officials, to concur with Cooper before the governor could proceed with future emergency orders to close businesses.

Democrats objected to that portion, saying they would've voted for the bills if the measure were deleted.

"Just run a straight bill," said Rep. Robert Reives, D-Chatham. "Help these folks out."

So Republicans tested them. Rewrote the bill. Dared Democrats to vote for it.

House Bill 806 passed the House and Senate before lawmakers adjourned June 26, but only a handful of Democrats supported it. H.B. 806 was sent to Cooper's desk as *CJ* went to press.

Another bill to open amusement parks, arcades, and playgrounds failed to make it out of the legislature.

Lawmakers will handle vetoes and other business in early July. They'll return in September to deal with limited items, including leftover federal money.

In the meantime, North Carolina is pushing its way through three more weeks of Cooper's Safer at Home Phase Two.

North Carolina needs to bring the lights up slowly, the governor repeatedly says. He points to science, leans heavily on N.C. Health Secretary Mandy Cohen, and sidesteps questions about why the state was picking "winners and losers" while reopening.

Cohen, in her virtual news briefings week after week, talks about hospitalizations, COVID-19 test results, and the three Ws: wait, wear, wash.

But Republican lawmakers are tired of the speechmaking and lectures. Why are some businesses safe to reopen, but others are not? They've asked Cohen during committee meetings. Why are massive groups of protesters permitted to gather without social distancing? Why are hospital patients barred from visitors, left to die all alone?

Cohen points back to the governor's "dimmer switch" example, talks vaguely about First Amendment protections — which the Cooper administration was slow to support during ReopenNC protests in April — cites concerns about overcrowded hospitals and infection risks, and says federal rules are responsible for hospital policies that block visitors.

Cohen and Cooper are "hiding behind the rhetoric," Rep. Hugh Blackwell, R-Burke, told *Carolina Journal*. Blackwell, a former lawyer and soldier in the U.S. Army Reserve, is one of many lawmakers critical of the governor's prolonged shutdown. Blackwell supported legislation like Senate Bill 730, which would have restored visitation rights for hospital patients isolated due to COVID-19 restrictions. The bill died in the Senate after the House stripped the legislation to appease concerns of the state health department and the N.C. Health Care Association. Those changes rendered it useless, said the bill's sponsor, Sen. Warren Daniel, R-Burke.

"One of the problems is that [Cooper and Cohen] are not taking a very sophisticated approach to dealing with the virus, generally," Blackwell told *CJ*.

The governor's one-size-fits-all rules are crippling parts of North Carolina less affected by the pandemic, Blackwell said. Try as they might, legislators can't change Cooper's orders by passing bills — not unless they again win a veto-proof supermajority of the House and Senate in November. Or Cooper is replaced in the governor's mansion.

Until then, lawmakers will enact what they can. But that won't help people now, Blackwell told *CJ*. For now, the only recourse is a lawsuit against Cooper, a tactic many have already pursued. And lost.

"They're gonna have to fight for themselves," Blackwell said.

POOL PHOTO

"HIDING BEHIND THE RHETORIC." Gov. Roy Cooper looks on as state Health and Human Services Secretary Mandy Cohen talks about hospitalizations, COVID-19 test results, and the three Ws: wait, wear, wash.

HUGH BLACKWELL

REP. HUGH BLACKWELL, R-BURKE: A former lawyer and soldier in the U.S. Army Reserve, Blackwell is one of many lawmakers critical of the governor's prolonged shutdown.

STOCK PHOTO

NOT SAFE? Gov. Roy Cooper vetoed a bill that would have allowed for gyms to reopen.

COVER STORY

Legislature passes mini budgets

AWAITS FEDERAL PERMISSION TO USE CARES MONEY TO FILL GAPS

State lawmakers will return to Raleigh in September to finalize North Carolina's budget, said Joe Coletti, senior fellow for fiscal and tax policy at the John Locke Foundation. In the meantime, the legislature has passed roughly 20 "mini budgets," bills transferring money for issues such as elections, juvenile justice, and tuition cuts at the University of North Carolina.

Gov. Roy Cooper signed more than a dozen of those bills, and several others were waiting on his desk as of press time.

The state budget is a sore spot between Republicans and Democrats. Last year, North Carolina lawmakers passed a $24 billion spending plan. It included a 3.5% spending increase. Tax cuts. An average 4.9% salary increase for teachers. Tens of millions of dollars for repairs and renovations across the University of North Carolina System. Hundreds of millions for new capital projects.

But Cooper vetoed it.

It's a "bad budget with the wrong priorities," he told lawmakers. Cooper wanted to expand Medicaid to the tune of $6 billion. He wanted an average 9% pay increase for teachers. Republicans and Democrats met several times to negotiate but failed to agree.

House members voted to override Cooper's veto in September, but the Senate didn't follow suit. So North Carolina stuck to its old spending plan.

This year, lawmakers are watching to see what money is available once taxes roll in July 15. They're also waiting to see whether the federal government will change rules surrounding the Coronavirus Aid, Relief, and Economic Security Act, which sent billions of dollars to North Carolina state and local governments. Under current rules, the state can't use that money to fill holes left by taxes falling short of projections. Lawmakers have reserved $2 billion in case Congress changes the guidance.

The economic drain of COVID-19 has left the state in a cash crunch, Coletti said. Where North Carolina had $1.1 billion in savings and a $2.2 billion cash balance in February — before the pandemic shriveled taxpayers' bank accounts — the state lost $1.6 billion between March and the end of June.

But Cooper is still spending like it's 2019, Coletti said.

"As we estimate revenues, including the fiscal 2019-20 cash balance, additional federal stimulus support, and monies in the Savings Reserve Account (as a last resort), we anticipate that the state would remain in balance and could support this current budgeted spending level." says a June 3 memo from the governor's budget director, Charles Perusse.

That's a terrible idea, Coletti said. Cooper should cut spending where possible, a strategy used by his Democratic predecessors, former governors Mike Easley and Bev Perdue. Instead, the governor is relying on the state's cash balance and his hopes that the federal government will either loosen restrictions on CARES Act money or send another bailout to North Carolina.

"Cooper's steadfast commitment to maintaining spending is another indication of his willingness to shift responsibility and to raise taxes if Democrats regain a legislative majority in November or force a newly elected Gov. Dan Forest to make deep cuts," Coletti said.

Defining the short session

LAWMAKERS DEBATED dozens of bills during the 2020 short session. The bills covered myriad topics, but a few stood out in the flurry.

AFSCME

CRIMINAL JUSTICE REFORM. The General Assembly fast-tracked two criminal justice reform bills. After receiving unanimous approval from lawmakers, the N.C. First Step Act and the Second Chance Act headed to the governor's desk.

Election bill

House Bill 1169, or the Bipartisan Elections Act of 2020, sent money to the N.C. State Board of Elections for COVID-19 expenses. Lawmakers approved temporary absentee ballot and vote-by-mail policies. The bill passed 105-14 in the House, 37-12 in the Senate. Gov. Roy Cooper signed H.B. 1169 into law. "Making sure elections are safe and secure is more important than ever during this pandemic, and this funding is crucial to that effort," Cooper said in a news release. "This legislation makes some other positive changes, but much more work is needed to ensure everyone's right to vote is protected."

COVID-19 recovery act

Democratic and Republican lawmakers came together during the short session to pass two major COVID-19 relief bills. House Bill 1043 set aside about $1.6 billion in federal money to aid public education, state agencies, the university system, small businesses, and more in weathering the pandemic. Senate Bill 704 addressed a variety of policy changes, including extending tax deadlines and temporarily lifting some regulations.

Reopening bills

Cooper struck down several legislative attempts to reopen businesses still closed under the governor's COVID-19 executive orders. Lawmakers passed bills to allow gyms, bars, bowling alleys, roller rinks, wedding venues, and amusement parks to reopen at limited capacity. Cooper vetoed every reopening bill, arguing the moves would limit the state's ability to respond to a surge in coronavirus cases. Bill supporters said the state's hands wouldn't be tied.

Farm bill

Senate Bill 315, aka the Farm Act of 2019-20, finally became law after months of dividing lawmakers over smokable hemp and shooting sports. Many farmers wanted to legalize the hemp industry; law enforcement says it would make it difficult for officers to distinguish between hemp and marijuana. Lawmakers were also at odds on making it easier for farmers to offer shooting sports on their property. The General Assembly approved a conference version of S.B. 315, but only after lawmakers removed the contentious provisions. S.B. 315 eases regulations on farming production and maintenance, provides flexibility for agritourism, and supports marketing and branding for N.C. products.

Criminal justice reform

The General Assembly has fast-tracked two criminal justice reform bills. After receiving unanimous approval from lawmakers, the N.C. First Step Act and the Second Chance Act headed to Cooper's desk. Under the First Step Act, judges have discretion in sentencing drug trafficking cases rather than tying them to mandatory minimum terms. The Second Chance Act revises expunction laws, making it easier to expunge records for nonviolent offenders. The two bills gained traction after George Floyd was killed by police. Gov. Roy Cooper signed the Second Chance Act on June 25, and the First Step Act on June 26.

Redistricting reform

Before COVID-19 disrupted everything, lawmakers were considering reform of how election districts are drawn. As the short session ends, the energy for redistricting reform has petered out. House Bill 140, the Fair Act, amends the state constitution, creating redistricting standards and establishing a redistricting commission for House, Senate, and congressional plans. Lawmakers couldn't use political affiliation or demographic information in drafting plans. A bipartisan group of legislators introduced the bill in February 2019, but since then lawmakers haven't touched the bill. Another bill, House Bill 648, creates an independent redistricting commission and employs a special master to draw maps based on specific standards. A bipartisan group of legislators introduced H.B. 648 in April 2019. But, like H.B. 140, the bill hasn't moved out of the Rules Committee. Another bipartisan bill, House Bill 69, creates a nonpartisan redistricting process for legislative and congressional maps. Like other redistricting bills, H.B. 69 hasn't moved out of the Rules Committee. Even before COVID-19, redistricting reform was starting to lose steam after the budget impasse stoked distrust and resentment between Republicans and Democrats.

BY THE NUMBERS

$1.6 billion

PANDEMIC AID. Federal dollars set aside by H.B. 1043 to aid public education, state agencies, the university system, small businesses.

SHUTDOWN WINNERS

SHUTDOWN LOSERS

Shutdown losers. Winners?

The COVID-19 shutdowns, mandates, and curfews produced few winners, and then even marginally so. There were a lot of losers, however.

Lawyers

Lawsuits challenging Gov. Roy Cooper's reopening plans, disputes between the governor and media outlets over COVID-19 public records, fights over the General Assembly's redistricting proposals, and the continuing battle over the resolution of the *Leandro* court decision kept lawyers working for and against government agencies fully employed. Many lawyers, especially those in private practice, were hurt because courts were closed and lawsuits and litigation languished.

Telehealth

Patients can finally access telemedicine in their homes. Before the crisis, regulations limited telemedicine to designated facilities within rural areas. COVID-19 changed all that. Insurers have embraced parity for telemedicine during the crisis, and stay-at-home orders forced providers across the state to roll out telemedicine.

Netflix and other streaming services

What else is there to do? Netflix, for instance, scored a record number of new subscribers in its first quarter, crediting, in a letter to shareholders, the stay-at-home orders.

Zoom and other conferencing services

The video conferencing software saw a surge in users after social distancing requirements led to virtual meetings. The company added 2.22 million new monthly active users in 2020 — up from 1.99 million in 2019.

Journalists

Countless stories to report. No end of news conferences, interviews, and policy disasters requiring research and analysis. Still, big news corporations continued the decades-long trend of furloughs, layoffs, and terminations. Further, rioters attacked and injured some journalists, and others were arrested for trying to do their jobs.

White-collar workers

Originally strong "winners" because most could work at home, in businesses that, for the most part, could be done without person-to-person contact. But as shutdowns continue and the economy limps along, profits are falling, leading to layoffs, furloughs, and hiring freezes. In the U.S., more than 45 million Americans have applied for unemployment benefits since mid-March, *Forbes* reports.

Amazon

Its stock soared 30% in the past 12 months, MarketWatch reported in May.

Terminally ill patients

Hospital restrictions forced patients, many of whom were hospitalized for reasons other than COVID-19, to spend days and weeks alone while undergoing major surgeries and other treatments. Not even family members could visit. N.C. Health and Human Services Secretary Mandy Cohen said "federal rules" dictated the hospital quarantine policies. Some hospitals have begun to lift those restrictions, and the General Assembly backed a bill that would let patients have one visitor. But many have already suffered and died in isolation.

Small businesses

Gyms, bowling alleys, skating rinks, movie theaters, hair salons, barber shops, and many other "nonessential businesses" were forced to close for weeks. Some are now reopened. Others are still closed and could remain that way because of money lost during the pandemic. As many as 65% of North Carolina's 19,000 restaurants may not survive the two-month shutdown that preceded Phase Two of Cooper's reopening plan, said Lynn Minges, president of the N.C. Restaurant and Lodging Association.

Restaurants and "bars"

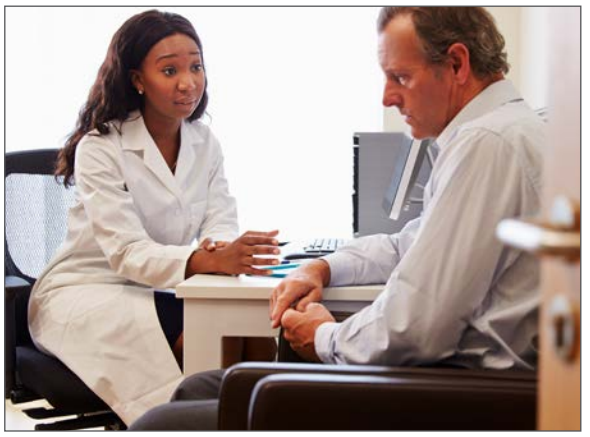
On March 17, Cooper ordered all restaurants and private clubs closed to patrons, allowing takeout and delivery orders only. Thousands of hospitality workers scrambled for unemployment benefits, flooding the N.C. Division of Employment Security with applications. Some restaurants survived. Some closed permanently. Bars, left out of the reopening in Cooper's Phase Two, report they are crippled by months of lost income.

Rural hospitals

They took a financial beating when the state froze elective surgeries. Many already struggled against thin margins, and most lost their main source of revenue for weeks. The cash crunch forced hospitals across the state to furlough workers, slow spending, or cut services. Now, rural hospitals fear revenues will flow slowly as patients remain wary of hospitals and the state prepares for a second wave of infections.

Local governments

Local governments are scrambling to make ends meet across the state. Revenue from sales tax and fees is down, and utility nonpayments are on the rise. An executive order shielded utility customers against fees or service cutoffs for delinquent payments during the crisis. Some rural towns say they will go bankrupt in the fall without some relief.



Unemployed patients

Paying for health care just got more complicated for people who lost their jobs during the shutdowns. North Carolina has not expanded Medicaid. Federal law gives the newly unemployed a chance to enroll in the Affordable Care Act exchange without waiting for a new calendar year. But that chance traditionally expires in 60 days. Patients also have the option to stay on their former employers' plan under a law known as COBRA. But not all patients can afford to pay the full cost of their premium.

The N.C. Department of Transportation

The DOT already had cash problems before the crisis. An audit found that the department overspent by $742 million in fiscal 2018-19. COVID-19 stole another $300 million in revenue, sapping the gas tax, the Highway Use tax, and Division of Motor Vehicles fees. The department is now planning mass furloughs.

Students

K-12 students were forced to attend school online after Gov. Roy Cooper closed classrooms for the remainder of the 2019-20 school year. The transition wasn't smooth. Rural and low-income students struggled with remote learning because they lacked reliable broadband access.

Community colleges

Community colleges are preparing for a surge in enrollment as unemployed workers look to reskill and students look toward more affordable education. But money is tight, and community colleges have been warned to expect lean budgets.

Graduates

COVID-19 ruined the dreams of many high school seniors looking forward to walking across a stage to get their diplomas. Commencement ceremonies were postponed and, in some cases, turned into virtual affairs.

Teachers

When schools closed, teachers had to learn quickly to teach students online. If schools reopen in the fall, teachers will have to take on the additional responsibility of making sure students are practicing social distancing and washing their hands.

Independent medical practices

Their revenue all but vanished when the state shut down elective procedures and in-person visits. Some qualified for loans from the federal government, but experts fear the crisis will drive independent physicians to shut down or sell their practices.

Workers

Since March 15, more than 1 million claims have been filed with the N.C. Division of Employment Security. In total, some $4.5 billion in federal and state money has been paid for unemployment claims in North Carolina.

COVID-19

Health screenings, social distancing on the school calendar for fall 2020

BY LINDSAY MARCHELLO

Every N.C. student, from kindergarteners to undergrads, will have new health and safety rules to follow come fall.

COVID-19 has complicated the traditional school day for all students, teachers, and faculty. Schools and universities are working on plans to provide an education with the infectious disease in mind. The fall reopening plans are as far-reaching as they are complicated.

K-12 public schools

For K-12 public schools, reopening proposals are "comically impractical," said Terry Stoops, vice president for research and director of education studies at the John Locke Foundation.

The N.C. Department of Health and Human Services and the N.C. Department of Public Instruction released health and operational guidance for public schools to follow.

School districts are required to develop three plans using COVID-19 metrics. Plan A is the least restrictive, requiring minimal social distancing of students and staff. Plan B requires more stringent social distancing and fewer people in the school building. Under Plan C, schools would use only remote learning.

State officials were scheduled to decide by July 1, using COVID-19 data, which plan schools will follow. School districts can decide to use tighter limits than the state mandates, but they can't use a less-restrictive plan.

STOCK PHOTO

MULTIPLE PLANS. Requirements will range from placing floor and seat markers to indicate social distancing to regularly cleaning classrooms with hospital-grade disinfectant.

Requirements range from placing floor and seat markers to indicate social distancing to cleaning classrooms regularly with hospital-grade disinfectant. Schools must conduct daily health screenings for all students and staff.

Though not required, students, teachers, and staff are strongly encouraged to wear masks.

If school districts must use Plan B, school attendance could become staggered. Groups of students would alternate between physical attendance and remote learning.

Operating at 50% capacity will be a challenge, Cathy Moore, Wake County Public Schools superintendent, said during a webinar on reopening plans.

It'll cost more money, too, Moore said.

Lt. Gov. Dan Forest is critical of the state's health and operations guidance. When the State Board of Education voted to approve it, the lone no vote came from Forest.

The state must allow families the freedom and responsibility to decide what's best for their children while also accommodating students and staff at high risk of contracting COVID-19, Forest said in a news release.

"Our schools should be full of students, not fear," Forest said.

Colleges and universities

Like public schools, college campuses will look different in the fall — but public universities will have more flexibility when setting rules.

University of North Carolina System campuses will decide what steps to take to protect all students, faculty, and staff, interim President Bill Roper said in a statement April 29.

"As examples, some institutions might consider staggered or shortened academic calendars, while others may take action to reduce student density in campus housing and classrooms," Roper said.

Most UNC schools will start classes later than usual. Fall break has been canceled so that classes can wrap before Thanksgiving.

Several universities have canceled study-abroad programs. Some classes will blend online learning with in-person instruction, while others will go remote.

Face masks and hand-sanitizer stations will be a familiar sight. Classrooms will be reconfigured to space students, and some campuses will limit access to labs and academic centers.

For some schools, fewer students will live in the residence halls. N.C. State University is converting some double rooms to singles for students with pre-existing health conditions. N.C. Central University will provide alternative living arrangements to isolate residential students who test positive or were exposed to COVID-19 but are unable to return home.

Student athletes will return to campuses but will undergo frequent COVID-19 testing and train in smaller groups. At NCSU, staff will clean athletic facilities with an electrostatic sprayer.

Community colleges don't have students staying on campus, so they won't have to worry about students in residence halls. Like the UNC System, community college presidents have the leeway to develop plans that best fit their needs.

When students return to community colleges this fall, they'll find hand-sanitizer stations and social-distancing markers dotting the campuses. Many classes and student services will go online. Some schools will install plexiglass and require masks in places where social distancing isn't possible.

Governor NO

GOV. ROY COOPER blew past Bev Perdue's 20-veto record fewer than 18 months after taking office. He vetoed 28 bills during the first two years of his term. The Republican-led General Assembly, with a veto-proof majority in 2017-18, overrode 24 of them.

The story was different in 2019-20. Cooper kept the ink wet on his veto stamp, rejecting 16 bills as we went to press. But the GOP, with a smaller majority, overturned none of them.

The Legislative Library maintains a list of every veto, starting in 1997, when voters gave the governor that power. Cooper vetoed these bills in the 2019-20 legislative sessions.

By Rick Henderson

2019-20 VETOES

SENATE BILL 359	Born-Alive Abortion Protection Act
HOUSE BILL 966	2019 Appropriations Act
SENATE BILL 392	Various Charter School Changes
SENATE BILL 320	Regional Water Systems and State Grants
HOUSE BILL 370	Require Cooperation with ICE Detainers
HOUSE BILL 645	Revisions to Outdoor Advertising Laws
SENATE BILL 438	Excellent Public Schools Act of 2019
HOUSE BILL 555	Medicaid Transformation Implementation
SENATE BILL 553	Regulatory Reform Act of 2019
SENATE BILL 250	Strengthening Educators' Pay Act
SENATE BILL 578	Reduce Franchise Tax/Expand Film Grants
HOUSE BILL 231	UNC & Community College Pay/Retiree Bonus
HOUSE BILL 398	Information Tech. Budget/2019-2021 Fiscal Biennium
HOUSE BILL 536	Temp Outdoor Restaurants for Outdoor Seating
HOUSE BILL 594	Temp Open Gyms/Health Clubs/Fitness Centers

LINK TO ALL VETOES: HTTPS://BIT.LY/2YYDIJI

COVID-19

Cooper's face mask order raises questions of enforcement

BY LINDSAY MARCHELLO

Gov. Roy Cooper's order mandating face coverings puts businesses in the precarious position of enforcing the law, some legal experts say.

On June 24, Gov. Roy Cooper paused his three-part reopening plan. COVID-19 metrics were heading in the wrong direction, the governor said during a news conference. To stifle new cases, Cooper issued a statewide executive order requiring face masks in public.

Beginning 5 p.m. Friday, June 26, customers and employees are required to wear face coverings in grocery stores, pharmacies, retail stores, restaurants, and other businesses.

The order doesn't authorize law enforcers to cite people who violate the rule. Law enforcement can still charge people with trespassing if they refuse to leave a business for not wearing a mask.

But businesses are mainly responsible for enforcing the order.

This puts businesses in a no-win situation, said Ray Starling, general counsel for the N.C. Chamber of Commerce.

The business community isn't against wearing masks, Starling said, but requiring business owners to enforce the rule, while not requiring the same of law enforcement, is misguided.

Businesses are bearing the brunt of this order, Jeanette Doran, president and general counsel at the N.C. Institute for Constitutional Law, told Carolina Journal.

"If a customer isn't wearing a mask, the business could be charged, not for failing to wear a mask, but rather for failing to enforce the order that the customer wear a mask," Doran wrote in a blog post. "It's essentially third-party liability but in a criminal context created by an executive order of dubious validity."

CJ PHOTO BY DON CARRINGTON

SOME DO, SOME DON'T: **Protesters at the Capitol June 2 took a casual attitude about wearing a face mask when they weren't social distancing.**

Businesses face legal consequences. But they also risk their reputations, Starling said.

"We live in an environment where 20-second video can be widespread in minutes, if not hours," Starling told CJ. Confrontations between employees and customers can, and have, gone viral.

The face mask order has a medical exemption, which puts businesses in another difficult position, Doran said.

Under the Americans with Disabilities Act, businesses can't ask too many questions about a customer's health, Doran said. Employees can't challenge someone who says they have a medical condition exempting them from wearing a mask, she said.

Andy Ellen, president and general counsel of the N.C. Retail Merchants Association, agrees that business owners face tough choices.

In a news release issued late Friday, Ellen said merchants have suffered from the economic shutdown and must juggle complying with the governor's order while regaining the trust of their customers.

"These businesses need your help both economically and with compliance with the face covering requirement. These businesses simply cannot afford a civil penalty or a criminal penalty because of customers not abiding by [the] Governor Cooper's Order," the release said.

"We ask you to be patient with retailers and their employees. ... Please wear a mask or face covering and be considerate if you are asked to do so when you are shopping. Also, we can't all know the reason another customer isn't wearing a mask, such as due to a health condition, so be kind to each other."

Some businesses aren't willing to take on the role of enforcer.

Harris Teeter Supermarkets, a grocery chain based in Charlotte, says it won't force customers to leave if they don't wear masks. The grocer's policy tells employees to offer a free, disposable mask to a mask-less customer. Customers can decline the offer and still shop in the store.

"Our associates are not authorized nor qualified to ask an individual to present proof that they qualify for an exception," Harris Teeter said in a statement to WCNC Charlotte.

On their FAQ page, Walgreens Pharmacy says it will advise employees not to confront customers about face masks. Employees also won't prevent maskless people from entering stores.

At least five N.C. sheriffs said they won't enforce the face mask order, either. The list includes Burke County, Halifax County, Craven County, McDowell County, and Sampson County. Rockingham County Sheriff Sam Page said Friday that he won't enforce Cooper's order requiring people to wear masks in public, writes Rockingham Now.

Page also said he won't enforce crowd limits on wedding receptions, despite the health department's opinion that such events should be limited.

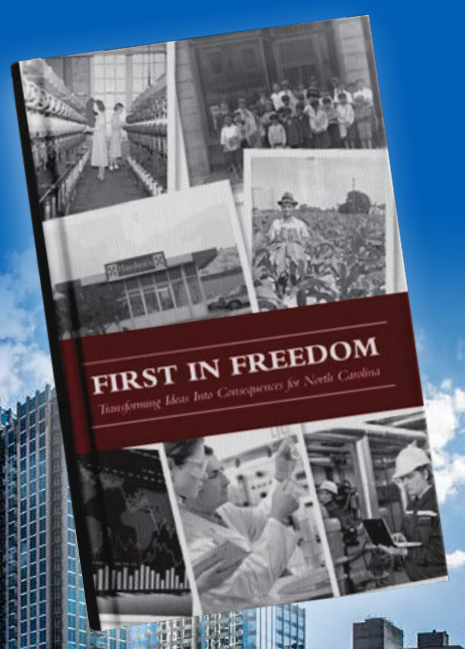
Some sheriffs enforce some things more vigorously than others, said Eddie Caldwell, executive vice president and general counsel for the N.C. Sheriffs' Association.

"Each sheriff has to decide what the priorities are within their community," said Caldwell.

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.



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LOCAL GOVERNMENT

Local governments pay price for governor's 'tax relief'

BY JULIE HAVLAK

BY THE NUMBERS

$252 million

Total delinquent payments due to North Carolina utility providers.
13.7% of customers aren't paying their utility bills.

Elizabeth City could go broke in August if Gov. Roy Cooper doesn't lift restrictions on utility payments.

The city isn't alone. When the COVID-19 pandemic shut down the economy, Cooper banned utility providers from disconnecting or fining nonpaying customers. His two executive orders shield people from losing water, electricity, natural gas, sanitation, or wastewater services through the end of July.

The orders have cost local governments dearly. In North Carolina, 13.7% of customers aren't paying their utility bills. Utility providers are waiting on $252 million in delinquent payments, and 884,088 reported households became eligible for disconnection in April and May.

In Lenoir County, La Grange sued Cooper to overturn the restrictions, saying it couldn't afford to repay its debt without collecting utility payments. In Pasquotank County, Elizabeth City applied for a waiver from the executive orders, warning it risked imminent bankruptcy.

"It's a rainy day in Elizabeth City, what can I say," Richard Olson, Elizabeth City manager, told *Carolina Journal*. "We'll be broke. That's the only way of saying it."

Elizabeth City already struggled against urban flight, a dwindling population, and high poverty rates. A fourth of its residents live beneath the poverty line.

The city relied on disconnection as a "tool" to collect utility payments. The city usually sends 2,200 electricity disconnection notices a month, but only 50 of those customers stay disconnected for more than two days, Olson said.

Now 30% of customers have stopped paying their utility bills. In 120 days, Elizabeth City will be out of money and in violation of state law. Without a waiver, its customers face a 10% to 46% hike in electric rates, Olson said.

"The unintentional consequences are setting those people up for failure," Olson said. "These individuals were paycheck to paycheck, and they can't afford another $24 or $30 a month. And they're going to have that."

In Randolph County, roughly half of Liberty's utility customers are delinquent. The town is waiting on $90,000. Its leaders hope to collect that money, but they worry payments will never come, Liberty Town Manager William Doerfer told *CJ*.

"We're between a rock and a hard place with this executive order," Doerfer said. "We've got some money in the bank, but I don't know how long that will last."

If payments don't materialize, the town's utility infrastructure will take a financial hit. Liberty already violates its legal wastewater capacity, after Hurricane Florence and rainstorms drove the town to process several times its legal limit of wastewater.

"I'm concerned that the long-term effect will be maintenance," Doerfer said. "We're already in big trouble as far as our wastewater capacity goes, and ... the things that get cut are capital expenditures and maintenance."

The city of Asheboro largely escaped such debilitating shortfalls. But town leaders worry about the long-term economic devastation dealt to residents. Even before the pandemic froze elective surgeries, the local hospital filed for bankruptcy. A third of the town's work force is in manufacturing, John Ogburn, Asheboro city manager, told *CJ*.

"I don't know if a lot of these folks can make it," Ogburn said. "That's a big hit. Add then the social cost of having no health care, and losing all of our white-collar employees, that adds up pretty quick."

> **We're between a rock and a hard place with this executive order. We've got some money in the bank, but I don't know how long that will last.**
>
> - Liberty Town Manager William Doerfer

Like Ogburn, Clayton Town Manager Adam Lindsay worries customers won't be able to dig themselves out of their utility debt. The Johnston County town is waiting to collect $350,000. If delinquent payments continue, prices will rise, Lindsay told *CJ*.

"The great unknown is will customers be able to pay? That's our biggest fear as this drags on," Lindsay said. "If you're talking about four or five months, that's a much harder bill to make up."

In Brunswick County, Shallotte budgeted for a 40% drop in utility revenues over four months. But the town's utility infrastructure will escape financial damage, Isaac Norris, Shallotte finance officer, told *CJ*.

The town of Eden plans to keep its rates level after tallying $144,245 in delinquent utility payments, but the city has lost its leverage to collect revenue, Terry Shelton, Eden city manager, told *CJ*.

"It's pretty significant in the overall picture of our financial situation," Shelton said. "I don't know how much longer the situation will last. There's so many uncertainties."

State Treasurer Dale Folwell asked Cooper to grant waivers for citizen-owned utilities and to join a Local Government Commission working group to address the problem.

The state flagged more than 150 local governments for the risk of insolvency before the pandemic. Folwell says the shutdowns could force the state to take over the finances of dozens or even hundreds of troubled entities.

"It has the potential of a chain reaction," Folwell said. "If these public utilities run out of money, it will start impacting the city's budget. And the city has nowhere else to go but to raise property taxes on property taxpayers who right now can least afford it."

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HEALTH CARE

Renowned optimist looks to innovation to heal world from COVID-19

Q&A

Matt Ridley
Author
The Rational Optimist

There's plenty of doom and gloom associated with the COVID-19 pandemic. One might believe there's little reason for optimism about the future. That's why now is a good time to talk to **Matt Ridley**, best-selling author of *The Rational Optimist*. Ridley's latest book focuses on *How Innovation Works*. He discussed the role of innovation in the post-COVID-19 world during an interview with Mitch Kokai for the John Locke Foundation's "HeadLocke" podcast.

Listen to this and other interviews online:
www.johnlocke.org/podcast

MK: You have been known for years now as the "rational optimist." Once COVID-19 struck, and people were locked down, and we had massive dislocation in our lives, have you had people say, "Are you still a rational optimist about all of this?"

MR: *The Rational Optimist* came out as a book in 2010, and I've been going around the world talking about the ideas in it ever since. And pretty well every year somebody has put that question to me in one form or another. They've said, "Yeah, but the great financial crisis must have changed your mind." Or they've said the Euro crisis must have changed my mind. Or the war in Syria or the war in Ukraine. Or the Ebola epidemic.

So there's always been a reason for people to say, "But surely now things are getting bad, even if they got better in the past." Now this is a big one, I admit. This pandemic is going to cause a huge amount of pain, including the reaction to it — the locking down of the economy. It will take a lot to get things back on track. But I certainly believe it's possible. I still think it's likely that we will do so.

We will get through the medical problems of the pandemic eventually, whether it's with a vaccine or an antiviral cure or just with high-tech ways of doing test, track, and trace. We will get on top of this globally. It won't kill as many people as pandemics did in the past. So although it's a brutal episode for lots of people, it's not something that will knock civilization off course in itself.

Whether the world gets addicted to top-down, centralized, authoritarian ways of running countries and whether it throws out global trade ... is a slightly more worrying question. It's possible we may be entering a period where things go wrong more than they go right.

But I'm pretty sure that actually this will be a stimulus to innovation and new practices, new online conversations, ... new ways of doing business, new ways of starting businesses, new

devices, new gadgets, new technologies. Those will be what will give us even greater prosperity globally in the years ahead.

It's worth remembering that, so far, this epidemic is not hitting very poor countries nearly as hard as it's hitting rich countries.

MK: As you approach COVID-19 and the pandemic and our recovery and response to it, what are some of the types of things that you're hoping governments and also private actors — individuals and businesses — how they're going to approach this recovery?

MR: I think if you look at what we hadn't done enough of to be ready for this pandemic, it includes not having done enough innovation in the area of diagnostics and in the area of vaccination. Vaccine development has seen very little significant acceleration or improvement or innovation. I write in the book about the development of the whooping cough vaccine in the 1930s, which took two very talented and special women just four years from start to finish.

Four years would be quite fast today for a vaccine. Why is that? It's partly because the private sector doesn't find vaccines profitable on the whole. By the time you've developed a vaccine, it does itself out of

We will get through the medical problems of the pandemic eventually, whether it's with a vaccine or an antiviral cure or just with high-tech ways of doing test, track, and trace. We will get on top of this globally.

business if it's successful. There are no further sales. You only need take it once, as it were, unlike a drug. So they don't go into vaccine development.

On the whole, the World Health Organization and other organizations have been spending money on their own travel budgets, or on telling us what we should and shouldn't eat, and climate change, and things like that. They've not been focusing on their day job, which is to make sure that we're ready for the next pandemic. If they had done [that job], I think we'd be in a better situation.

So if we clear the obstacles out of the way to more innovation in medical and health technologies ... and we've been doing that [during this pandemic]. We've been accelerating the time it takes for licensing to be approved for technologies, for medical devices and vaccines and so on. We've been rushing through these things. Why can't we do that in peacetime? What can't we rush through some of these technologies ... and get much quicker and nimbler about approving new devices, which could improve people's lives? ...

... As far as the entrepreneur is concerned, the problem is not so much that the government says no, but that the government takes an age to say yes. So if you take medical devices, the average time to approval is something like six years in Europe and something like three years in the U.S. That's too long for an innovator to wait. He runs out of money in that time. So he doesn't start. We deter innovators from coming forward with ideas because of the absolute lack of urgency in government.

It's not the only problem. There is a big problem caused by the patent system being much too much of a hindrance and not nearly enough of a help in intellectual property generally. There's a problem caused by lobbying from big companies that like to keep things the way they are and don't want competition from upstart innovators. That's a huge issue.

There's the problem of [nongovernmental organizations] campaigning against innovation. They say they don't. They say they want innovation. But often — using things like the precautionary principle — they argue that we mustn't take the risk of trying something new, even if it is likely to have more benefits than the existing technology. We are told we must weigh the risks of the new, but not the benefits of the new, and not the risks of the old.

MK: ... It sounds as if one of the key things for us in a post-COVID-19 world is innovation. So what better timing for a new book titled *How Innovation Works*. Tell us about why you decided this was the best topic for your latest book.

MR: I've danced around the topic in previous books. ... I write a lot about how innovation is this incredibly important secret sauce that makes the world a more prosperous place and how it comes about as a result of exchange and specialization. But in this book I thought I would take it head on in terms of technology and look at lots of technologies, from steam engines to search engines and from vaccines to vaping, and say: How did they come about?

What was the process by which society suddenly decided that it wanted light bulbs for the first time or search engines for the first time? How did the inventor get the idea? How did the innovators who turned the invention into a practical, affordable, and reliable device do their work? What I do in the book is I set out to tell stories. ... I hope that out of these stories drop some common themes. ...

... I do think [the pandemic] rams home my message that we need more innovation, not less, and that we're living through a period of sluggish innovation actually. Everybody thinks that innovation is speeding up. But I don't think that's true. It's true in the case of digital technologies, but I don't think it's true in physical ones. If you think about transport, and the speed of transport, it's got slower in my lifetime. We fly across the Atlantic in 747s, a plane that entered service in 1969.

COMMENTARY

What do teachers really think about their schools?

DR. TERRY STOOPS
VICE PRESIDENT FOR RESEARCH
JOHN LOCKE FOUNDATION

How do North Carolinians cut through the noise of politicians, special interest groups, and social media schmucks who claim to speak on behalf of public school teachers? Give teachers opportunities to speak for themselves. Every two years, the N.C. Teacher Working Conditions Survey allows educators to do just that. The survey provides exceptional insight into the strengths and needs of our schools from those who know them best. The results will be surprising to many.

In June, the Center for Optimal Learning Environments released results from the 2020 working conditions survey. This year, 102,545 teachers, or nearly 85% of the teacher work force, participated anonymously. While it was a lower rate than previous years, it was an extraordinary response given the circumstances. Gov. Roy Cooper closed K-12 schools due to COVID-19 two weeks after COLE opened the survey. The organization extended the survey window into early April to ensure all teachers would have an opportunity to voice their opinion.

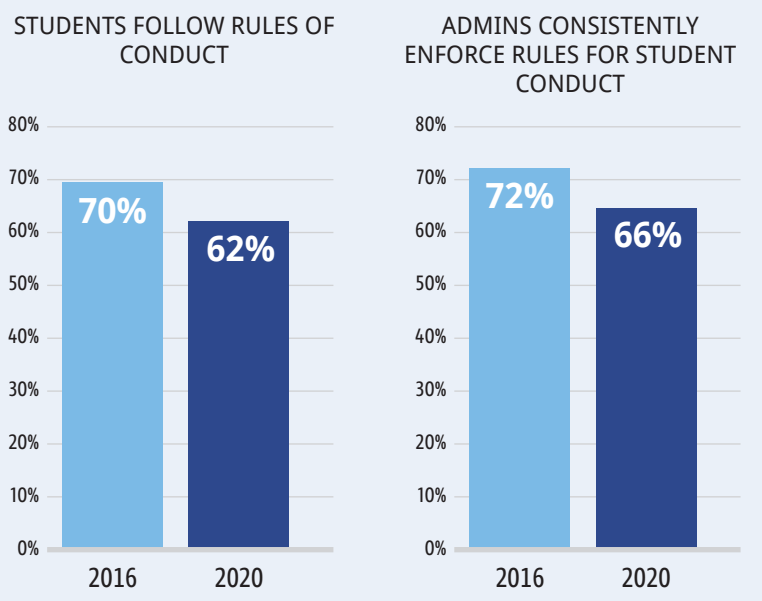
As in past years, researchers provide respondents with a Likert scale with five choices: agree, disagree, strongly agree, strongly disagree, and don't know. The survey doesn't provide an opportunity for open-ended responses or comments, nor does it include questions related to salary, benefits, or employment matters. Instead, the survey asks educators to assess their working conditions in eight areas: time, facilities and resources, community support and involvement, managing student conduct, teacher leadership, school leadership, professional development, and instructional practices and support. COLE added new sections on equity and school safety for the 2020 edition.

The undeniably good news is that 86% of educators agreed that their school "is a good place to work and learn." The percentage of agreement for that question hasn't changed meaningfully since 2016, suggesting that both new and experienced teachers are generally satisfied with working conditions in N.C. public schools. Moreover, teachers report they have the resources, community support, and leadership needed to create the "supportive environment necessary to help students achieve at the highest level."

Most teachers agree they have access to instructional materials and other essential resources. In fact, 77% of respondents say that teachers have sufficient access to appropriate instructional materials, and 86% are satisfied with access to digital content and resources. About eight of 10 teachers report they have sufficient access to computers, printers, software, copy machines, paper, and pens.

Teachers also find that community support and involvement are satisfactory. While some teachers would like to see more support from parents and guardians, most believe their school does a respectable job of engaging with parents and members of the community.

Percentage of teachers who agree or strongly agree:



SOURCE: Center for Optimal Learning Environments

In fact, 85% agree the community they serve is supportive of their school.

Educators also have favorable views of school and teacher leadership. Most respondents report that teachers have leadership opportunities at their school. Generally, school administrators appear to cultivate an environment of professionalism and trust. Nearly eight of 10 teachers affirm that school administrators consistently support them, although slightly lower percentages agree their school leaders foster collegiality and empathy.

The bad news is that student behavior, class sizes, and non-teaching duties continue to present barriers to optimal classroom conditions.

The most significant changes in the past four years were the student conduct results. The percentage of teachers who agree or strongly agree that students follow rules of conduct dropped from 70% in 2016 to 62% in 2020. Similarly, the percentage of teachers who believe their school administrators consistently enforce rules for student conduct dropped from 72% in 2016 to 66% in 2020. These results trigger some critical questions. Who or what is responsible for lax enforcement of the rules of conduct? Are there rules or practices that are leading to a perceived uptick in student misbehavior? For the sake of improving teacher working conditions and raising student achievement, these are questions that demand answers.

Related to school culture is the issue of bullying and cyberbullying, which were included in the survey for the first time. While most teachers agree bullying and cyberbullying aren't frequent problems at their schools, a sizable minority disagrees. Nothing can derail the trajectory of a promising student faster than repeated instances of bullying and harassment, particularly when students target the race, ethnicity, and cultural background of their classmates. That's why educators, administrators, staff, and parents must raise behavioral expectations of students and model civility themselves. Otherwise, lawmakers should allow the families of bullied and harassed students to access educational options that offer safe and nurturing learning environments.

The use of time and time-related issues are other areas of concern. Only 61% of teachers believe that class sizes allow them to meet the needs of all students. One-third of the respondents report that noninstructional or planning time provided to teachers in their school is insufficient. One-third also perceive that school administrators don't try to minimize the amount of routine paperwork teachers are required to do.

In recent years, Republican leaders in the General Assembly have worked to address teachers' concerns by capping class sizes in the early grades and advancing legislation that would minimize unnecessary paperwork. Unfortunately, reopening schools safely amid concerns about the spread of COVID-19 may impede their progress. Lawmakers should use the 2020 Teacher Working Conditions Survey to inform their long-term policy agenda while also using it to refute politically motivated claims of teacher discontent.

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COMMENTARY

Are you sure you want to go to grad school?

GEORGE LEEF
COLUMNIST

Many college graduates think to themselves, "I don't have any immediate job prospects that are attractive, and I can easily get into grad school with the chance of eventually getting my Ph.D. and then a tenured professorship. I guess that's what I'll do."

If you know anyone in that situation, do him or her a big favor by suggesting a new book by Georgetown University philosophy professor Jason Brennan: *Good Work If You Can Get It.*

This year — at least before COVID-19 struck us — about 80,000 students were planning to begin doctoral programs, but, Brennan cautions, "most are destined for disappointment." That is because only about 20% of those students ever will obtain any faculty position, much less the coveted tenured professorship at a good school. He wrote the book to guide the many would-be professors who are "clueless, naïve, and misinformed about what grad school and academia are really like."

There has been a crying need for a book like this for many years.

Something needs to offset the perverse incentives that lead current professors to encourage as many sharp students as possible to consider going for a Ph.D. and the benefits it may bring. After all, grad students are themselves a valuable resource for senior faculty, who often give students an unrealistically optimistic view of the path ahead of them.

In the U.S., the Ph.D. is poorly suited to students who thirst for self-discovery and personal enrichment.

It's a professional credential meant to train new college faculty. If you don't relish the prospect of spending loads of time doing what faculty members are expected to do — teach, grade, counsel, and write, write, write — then you should try something else, Brennan advises.

"There is little congruence," Brennan writes, "between what most Ph.D. programs train you to do and what most professors in fact do. The Ph.D. primarily trains you to do research — to write original papers and conduct original experiments in your field. But most faculty do little research and instead spend most of their time teaching or performing 'service' work."

The efficiency of our Ph.D. programs becomes even more questionable when you consider that, as Brennan notes, most professors produce little research after they have achieved tenure.

Most of Brennan's book is devoted to questions as to what doctoral students should expect and how to improve their chances of success.

First and foremost, what's the likelihood of eventually achieving the goal of becoming a tenured professor? Citing the statistics he knows best — from his own philosophy department at Georgetown — Brennan makes clear that even if you earn your doctorate from a well-respected program, you face rather dim prospects.

Brennan's crucial point is that there are so many other people getting their doctorates and vying for one of the very few top faculty slots that you must do all you can to make yourself stand out. Much of the book is devoted to sage advice on how to do that.

It is essential to success that aspiring professors publish a lot of papers while in grad school and after they have gotten that initial faculty spot. Brennan suggests they devote at least 20 hours per week to writing. That calls for discipline and a rigid time budget. Don't waste time, or you'll fall behind those who manage it better.

When it comes to all that essential publishing, Brennan recommends always having at least three papers in the works. But don't try to make them perfect. What matters is getting things published. The academics up the ladder who will decide whether to hire or promote you aren't going to read, much less evaluate, your work.

Don't strive for perfection — just "take the shot."

Brennan's point about clear, concise writing is one that all academics, not just grad students, should take to heart:

"Anyone can hide a half-baked idea behind vague, opaque prose that creates the illusion of profundity. To be able to explain a profound and complicated idea — say, quantum mechanics — in simple English requires genuine talent. You can't fake that around experts."

Finally, Brennan addresses a question that students who hold conservative or libertarian beliefs are probably wondering about: Is the purported bias against them real?

It is, he answers, pointing to evidence that many academics admit that they tend to look with less favor on applications from conservatives and libertarians. But that doesn't mean they shouldn't try. What it does mean is they need to choose their fields and advisers with great care, and then outperform the competition.

Don't let anyone you know apply to grad school without first encouraging them to read *Good Work If You Can Get It*.

George Leef is director of editorial content for the James G. Martin Center for Academic Renewal.

Try doing the math … or just don't

SHANNON WATKINS
COLUMNIST

WHEN IT COMES TO math performance, the United States has a pitiful record. Each year, about 1 million students enroll in college algebra, and about 50% of those students fail to earn a "C" or better.

But instead of investigating ways to improve math education, N.C. university leaders have decided to create alternate "pathways" for students who are less math-minded. According to University of North Carolina System administrators, gateway and entry-level math courses — like college algebra — are "stumbling blocks" for too many students.

To get more students through entry-level math classes, in early 2018 the UNC System established its Math Pathways Task Force, a systemwide initiative to change general-education math requirements to make them more "applicable and equitable."

But, like so many of the initiatives the academic staff in the system office push forward, the math task force's recommendations amount to a de facto lowering of standards.

On April 30, the UNC System announced that each of its 17 schools signed a formal letter committing to the core recommendations laid out by the task force.

But taking a close look at the task force's source of inspiration raises a serious question: Will academic rigor be sacrificed for the sake of implementing a more "responsive curriculum?"

The UNC System is modeling its approach on the University of Texas at Austin Dana Center's Mathematics Pathways initiative. The Dana Center recommends students' courses of study be organized in "clusters" according to similarity. For example, the liberal arts, fine arts, and humanities are all in one cluster. Science, technology, engineering, and math share another cluster. In total, there are six degree clusters that have their own math pathway.

Policymakers at UT-Austin determined "contemporary math" is more relevant to liberal arts students than college algebra. A cursory glance between the two courses' assigned textbooks and course descriptions, however, suggests they aren't equal in rigor.

In short, UT's math course for liberal arts students seems geared toward giving students a taste of engaging — but superficial — pop-math concepts without making them endure unimaginative formulas and equations.

According to the new UNC math policy, all constituent institutions are free to create their own quantitative literacy courses, basing them on the "needs" of their student population and on what each institution "values." "As a result, courses that focus on quantitative literacy may vary in their learning objectives and topics covered," the report states.

It shouldn't be hard, however, to see why leaving the content and learning objectives of a math course up to the "needs" of a given student population or on the "values" of each institution are extremely imprudent. What if a given student population, on average, "needs" easier math classes in order not to drop out? What if an institution "values" churning out degrees more than it values rigorously forming students' minds?

There's also reason to question administrators' rationale for instituting different math pathways. For some reason, UNC academic staff is loath to attribute any failing in "student success" to students' own shortcomings.

Even if it were true that students are primarily failing college math simply because it doesn't "align" with their interests, that's still not a valid reason for changing math requirements. That's because a true liberal arts education should provide students with a broad base of knowledge and expose them to subjects outside their major course of study. A shallow and impressionistic sampling of math and science is no replacement for familiarity with the real thing.

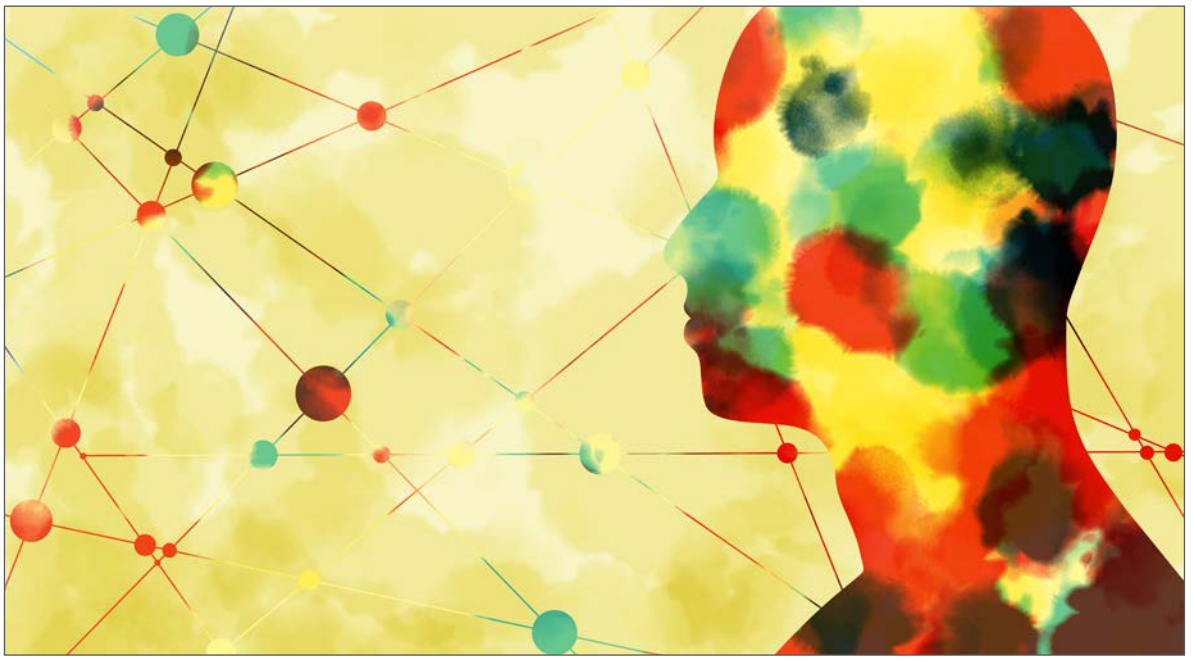
While it's understandable how students' urgency to pass the finishing line sometimes blinds them to the less tangible goods of higher education, UNC's academic staff has no excuse and should know better.

Shannon Watkins is senior writer at the James G. Martin Center for Academic Renewal.

COMMENTARY

Free market drives innovation: key to attacking, defeating virus

BECKI GRAY
SENIOR VICE PRESIDENT
JOHN LOCKE FOUNDATION



Lessons learned from the COVID-19 pandemic include the importance of keeping money in savings to cushion an economic shutdown. Accurate and transparent data, we've learned, are critical. Restrictions to freedom must be temporary.

Emergency calls for innovation, whether that's receiving health care through telemedicine, learning and working online, or expanding opportunities by lifting long-held restrictions. By making strong fiscal principles work within a tight budget, North Carolinians have responded to uncharted challenges in unprecedented ways. We've learned that, in many cases, the way we did things is no longer the way we should do things. Through innovation, we can do better today and be better prepared for tomorrow.

Gov. Roy Cooper issued his statewide stay-at-home order March 23. Cooper said it was necessary to slow the spread of COVID-19. Almost three months later, North Carolinians are still living under restrictions, many businesses still aren't open, and we're still living under the threat of the coronavirus. Data show we flattened the curve.

We've slowed the spread, but there's still no vaccine or proven treatments. The economy is decimated, mental health issues and depression have escalated, domestic violence is on the rise, and health screenings and preventive treatments are delayed.

We can't get past the pandemic until there's a vaccine and effective medications to treat the virus. The economy continues to sputter along, and people are living in fear and anxiety. Pre-pandemic regulations pose barriers and uncertainty, and complex approval processes slow progress. Innovation and market forces are needed now.

We need to develop new drugs to combat illness and improve health, but we also must have assurances these drugs are safe and that we're protected from any damage they might cause. The global pandemic calls for removing barriers to quickly find that balance.

A new area of biomedical research can take 30 to 35 years to mature and produce new medicines. If scientists, investors, and businesses can coordinate their efforts better, the time to get lifesaving medications to market could be considerably shorter. A vaccine typically takes 10 years to develop. Trials begin with animals, then with small select groups of humans, and finally with larger, more expansive groups, all carefully monitored along the way. Government review takes at least two years.

The pandemic, which led to the complete shutdown of the economy, called for quicker action. Fighting the virus head-on meant government, scientists, and drug companies had to act rapidly to find medications to treat symptoms and a vaccine to prevent the spread.

Pharmaceutical companies are racing for answers. None of the research and development of these drugs would be possible without the private market looking for innovative solutions and providing necessary investments. The U.S. Food and Drug Administration has granted emergency authorizations so pharmaceutical companies can get critical products to market. Abbott Labs got a rapid nasal-swab test out quickly, and Cellex developed a blood test for antibodies. Pfizer has four vaccines in trial, and biotech company Moderna has a promising vaccine in early human trials, all in a matter of months as opposed to years. Private drug companies are entering into agreements and setting up manufacturing so that, when a proven vaccine is available, they can quickly bring to market millions of doses.

A National Institute of Health grant is spurring research and development at the Gillings School of Public Health at the University of North Carolina at Chapel Hill. That research centers on a pill, EIDD-2801, to treat lung damage associated with the coronavirus. UNC scientists are working on anti-viral drugs, a vaccine, and antibody treatments.

With innovation from private companies, scientific and academic research, philanthropic support and private investments, a vaccine could soon be available. Testing, too, is more accurate and widespread. Medicine will be readily available.

Researchers believe a vaccine would require two doses for full immunity, and maybe a booster a year or two later. North Carolina, like most states, has a registry that keeps records of immunizations. The N.C. Immunization Registry tracks all recorded immunizations, with access limited to medical providers. Tracking the success of newly developed treatments will help refine treatments and further development of new medicine.

As we struggle to find ways to live with the virus, allowing the economy to slowly pick back up, social distancing and wearing masks in public are critical. Scientists, pharmaceutical and drug companies, philanthropists, and investors are racing to find a shield against the constant threat of COVID-19.

The need for innovation extends beyond the immediate crisis. Current data suggest racial and ethnic and minority groups are more adversely affected. Addressing the underlying health issues of vulnerable populations means more innovation in the care for diabetes, obesity, and heart disease. Screenings for cancers, dental treatments, and other elective health concerns were put on hold, yet these diseases aren't going away. Experts say an estimated 2 million people will be diagnosed with cancer in 2020. Breakthroughs in cancer treatments using innovative therapies, such as immunology drugs, have helped reduce the cancer mortality rate in the U.S. since 1991 by almost 30%.

Free markets drive innovation. We've learned from the pandemic that, in drug manufacturing, that innovation can make the difference between life and death.

A power-hungry president, a constitutional crisis, and a democracy in peril…

President Jerome Elliott was elected with overwhelming support from the American people. His populist platform and soaring promises captivated voters. But now, after a series of increasingly unorthodox policy decisions and suspicions of sinister motives, a shadow gathers over the White House.

When thirty-four state governors call for a constitutional convention to reform the federal government, Elliott fears losing control. In a desperate attempt to maintain power, he orders the revered 82nd Airborne Division to march on the convention and arrest its participants as domestic insurgents. The Georgia National Guard mobilizes to stop them, and the two forces clash in the small town of Madison. These actions echo across the nation, polarizing the populace and threatening to erupt into violence between the people and their government.

Meanwhile, television reporters Nicole Marcel and Luke Harper race to discover the truth behind the president's actions, while United Nations investigator Percy Leach digs deep into Elliott's past. Chasing facts and whispers alike, they uncover the roots of dark truths that, if realized, risk sundering the very fabric of American democracy.

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COMMENTARY

Competitors for top court position take opposing sides in sex predator case

MITCH KOKAI
SENIOR POLITICAL ANALYST
JOHN LOCKE FOUNDATION

WIKI COMMONS, NORTH CAROLINA SUPREME COURT BUILDING BY ALEXISRAEL

SUPREME COURT. **The two candidates for N.C. chief justice wrote opposing opinions in the *State v. Keller* case involving an alleged sex offense.**

The two candidates for the top job on North Carolina's highest court have squared off for the first time in more than a year. Their competing takes on a case involving a convicted sexual predator could offer voters valuable information this fall.

Democrat Cheri Beasley has served since February 2019 as chief justice of the N.C. Supreme Court. Appointed to the post, she's asking voters this year to give her a full eight-year term. She's running against colleague Paul Newby, the only Republican serving now on the seven-member court.

After Beasley took the chief's gavel, she and Newby agreed in 43 of 57 cases the Supreme Court decided in 2019. That's a 75% percent agreement rate. They've agreed in 56 of 71 decisions (79%) issued this year.

In a court where roughly two-thirds of the decisions have been unanimous, Beasley and Newby have been among the justices least likely to agree from case to case. (The only pair of justices more prone to disagreement are Newby and Democrat Anita Earls. They've reached the same conclusion in fewer than 70% of the high court's cases.)

Despite multiple opportunities to address the state's weightiest constitutional issues, the two candidates for chief justice have written opposing opinions just twice in the court's current configuration.

Their first disagreement took place in May 2019. In *State v. White*, a 4-2 Supreme Court majority threw out an indictment against a man convicted of molesting a 7-year-old girl. Beasley wrote the majority opinion, reversing a unanimous ruling from the N.C. Court of Appeals. Beasley and the Supreme Court's majority ruled that the indictment failed to meet legal requirements for identifying the alleged crime's victim.

Newby objected. "Once again, a child victim must endure the emotional distress and indignities of another trial because of a purely legal technicality," he wrote in dissent. "It is this type of legal gamesmanship which leads to cynicism about whether justice prevails in our criminal justice system."

Now, more than a year later, Beasley and Newby have written opposing opinions in another case. Decided on June 8, *State v. Keller* once again addresses legal procedures involving sexual predators.

In a 5-2 decision, the high court ordered a new trial for a Lincoln County man. He had been convicted of online solicitation of sex from a teenage boy in 2015. Justices in the majority ruled that the original trial court had made a major mistake. The trial judge had failed to instruct the jury about the possible defense of entrapment.

Defendant David Alan Keller thought he was trading email messages about sex with a 15-year-old. Keller agreed to engage in both oral and anal sex with the underaged boy. But the "teen" was actually undercover Lincolnton police detective Brent Heavner.

Beasley's majority opinion highlighted the defense's argument that police had entrapped Keller. "[A]t least part of the jury's deliberation focused on whether defendant had the requisite criminal intent, and the central inquiry for entrapment in this case is whether the criminal intent was originated by defendant or law enforcement," the chief justice wrote.

"An entrapment instruction would have allowed the jury to determine whether that criminal intent originated in the mind of defendant or Detective Heavner," she added. "[T]here is a reasonable possibility that a different result would have been reached had the jury been instructed on entrapment."

Newby reached a different legal conclusion. Along with Democratic Justice Michael Morgan, the Republican Newby would not have ordered a new trial.

"The crucial event in this case is the moment defendant learned his prospective sexual partner was underage," Newby wrote in dissent. "Once he learned that fact, he did not end his pursuit. Instead, he continued his undertaking to the point of driving to pick up his young victim. His actions demonstrate his predisposition to pursue such an illegal sexual encounter."

The dissent rejected Keller's entrapment claim. "The majority takes defendant at his word and blinds itself to the mountain of uncontested evidence that shows that defendant was predisposed to commit the offense," Newby wrote. "The majority thus removes from our case law the requirement that a defendant must present sufficient credible evidence of entrapment."

Neither the *Keller* case nor 2019's *State v. White* offers a full picture of Beasley's legal views. The same is true for Newby.

But these two electoral competitors are unlikely to spend much time between now and November debating their range of views on the campaign trail. Their records on the bench are likely to offer voters the best evidence about different approaches to important legal issues.

In these two cases, voters will see a clear contrast between the two people vying to lead North Carolina's highest court.

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FROM THE PUBLISHER

Rule of law ... or mob rule?

continued from PAGE 2

of law leads to violence. Ceding ground to violent mobs doesn't subdue them. Instead, it emboldens them.

Who knew? The answer, of course, is just about any reasonable person.

But considering some of North Carolina's elected executive leadership, reason isn't what we have. Raleigh's Fayetteville Street is boarded up after weekends of mob rioting and looting. Downtown Charlotte has its own plywood storefronts, and a World War II Memorial was defaced with the communist hammer and sickle. Violence erupted over one weekend, leaving four dead with no witnesses, even though 400 people were present at a Juneteenth celebration.

The N.C. Capitol wasn't without violence, either, over the Juneteenth weekend. Gov. Roy Cooper's Department of Public Safety ordered the Capitol Police to stand down and let a mob have its way with part of the Capitol Historic District, tearing down Confederate statues, dragging them through the streets, and eventually hanging one from a streetlight.

Cooper then ordered the removal of other monuments and blamed the Friday-night riot on the state legislature for failing to repeal a 2015 law allowing an orderly, democratic public process for monument removal and relocation through the Historical Commission that Cooper controls. A law that his fellow party member and current Attorney General Josh Stein voted for when he was a state senator.

Between Cooper's economic shutdown and the subsequent constitutional crisis, as well as this mob violence, the governor has abandoned the rule of law and democratic process. His senior adviser, Ken Eudy, shed some light as to why with a weekend tweet. "You know what would have avoided the dangerous incident of last night? Expanding Medicaid. Constitutionally funding public schools. Resisting voter suppression. No one died last night, but thousands have died because of NC's refusal to expand Medicaid."

Apparently, the Capitol Police were ordered to stand down and let the mob riot and destroy public property because the elected state legislature didn't roll over for the governor's progressive agenda. That isn't governing.

It's hard work to go through a democratic process such as convening the Council of State, made up of the 10 statewide elected executive-branch officials, to get approval for an emergency declaration, or working with the legislature, a duly elected, co-equal branch of government.

If voters decide on government divided between two parties, well, that requires patience and usually some kind of compromise. So a governor may not get everything he wants but most probably don't cede ground to a violent mob to get it.

Eudy's own words voice what I and others have suspected. Cooper isn't looking out for North Carolina. Instead, he's looking toward November to consolidate power and advance a progressive agenda, including the budget-busting Medicaid expansion for healthy people, curtailing educational choice, and higher taxes. He's betting public opinion will be with him when he campaigns that failure to expand Medicaid is "violence against the poor," invoking troubling images from these current riots.

Voters will have lots of races to decide this November, but it all boils down to one choice. Will voters choose mob rule or the rule of law?

CARTOONS

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COMMENTARY BY JOHN HOOD

Defunding the police is absurd

continued from PAGE 2

community, even if that means fewer police officers, if the money is shifted to programs related to mental health, housing, and education?" Opposition fell, yes, but to 60%, with 39% in support.

Most people seem to intuit what my John Locke Foundation colleague Jon Guze recently described with empirical evidence: Fewer cops on the street will likely produce more crime and disorder. It will impoverish and immiserate people, particularly those who reside in lower-income communities where crime rates tend to be higher.

This observation is hardly inconsistent with support for criminal-justice reform. Indeed, Guze points to fascinating evidence suggesting there is a trade-off between police presence and imprisonment. The U.S. has 154% more correction officers than the international average but 35% fewer police officers.

When police officers are present in sufficient numbers, with sufficient training and resources to do their job effectively, the result isn't just to deter immediate threats to lives and property. It also enhances the growth and vitality of our communities.

Some years ago, I compiled every peer-reviewed study of how state and local policies affect economic growth. Most of the studies showed that government was a net drag, not a net boost — in other words, the taxes required to fund public programs had a higher economic cost than any economic benefits those programs conferred.

No, these findings didn't suggest we should abolish the government! What they suggested was that, on the aggregate, government expenditures had grown to a counterproductive level. Many public services confer value. But after a certain point, additional dollars spent don't produce comparable gains in public benefits.

There was an exception to the rule, however: public safety. Most of the studies concluded that states and localities would see their economies grow faster if they spent more on public safety.

The same ABC/Ipsos poll that showed general public opposition to "defunding the police" found a small majority of Democrats in favor of it. If Democratic candidates follow their base on this, they'll pay an electoral price.

Another shutdown order will fail

While announcing a cumbersome set of guidelines for schools to reopen in August, Gov. Roy Cooper pointedly made no promises about whether he will, in fact, allow North Carolina's schools to open at all. Citing a recent rise in COVID-19 hospitalizations, Cooper even raised doubts about the fate of his phased-reopening plan, already molasses-slow by regional standards.

To borrow a phrase: Let me be clear. Our schools will reopen this fall. And Cooper should not attempt a second shutdown. North Carolinians won't allow it.

Back in March, as the coronavirus crisis was unfolding, most people were willing to stay at home, sometimes at significant cost in incomes and freedom, as a temporary measure. They believed the governor when he said the goal was to "flatten the curve," to ensure that COVID-19 hospitalizations didn't overwhelm the health care system like in southern Europe or New York City.

Then things changed. For North Carolinians, sheltering at home temporarily meant at most a few weeks. They started moving around more. Some returned to their workplaces. Naturally, as more businesses could legally reopen, the trend intensified.

OUR SCHOOLS WILL REOPEN THIS FALL. Gov. Roy Cooper should not attempt a second shutdown. North Carolinians won't allow it.

If Cooper attempts to halt or reverse this process, he's in for a rude awakening. North Carolinians aren't going to put up with it a second time.

They watched as the original flatten-the-curve rationale morphed into a claim that North Carolinians should stay at home until it is "safe," which most properly view as a preposterous standard.

They watched as other states began to reopen, political activists and national media figures predicted public-health catastrophe, and the predictions turned out to be wildly off the mark.

They watched as the "distance learning" provided to schoolchildren this spring proved to be largely ineffectual. They also watched as the coronavirus pandemic left children virtually unscathed, and the empirical evidence showed children are not a significant source of infection to others.

They watched as Cooper and his legislative allies scolded hundreds of North Carolinians for gathering to protest the governor's inconsistent and unreasonable policies. Then they watched as Cooper and his legislative allies celebrated and even joined the ranks of thousands of North Carolinians gathering to protest the killing of George Floyd.

They watched progressives try desperately to draw a distinction between the two events by citing the use of masks. Then North Carolinians remembered that just weeks earlier, public-health experts had said cloth masks reduced transmission risk only somewhat, since viruses are microscopic.

North Carolinians watched the crowds scream and chant for hours on end, for days on end. They watched many of the same "public-health experts" beclown themselves by issuing a political statement in support of mass gatherings as long as they, the experts, agreed with the political cause in question. And they watched as Roy Cooper walked in solidarity past a protesting crowd, his mask dangling uselessly from one ear, surrounded by unmasked aides.

The governor has arrogated to himself the unilateral authority to shut down indefinitely large swaths of economic and social life. He's already overstepped his legitimate powers. I truly hope he doesn't try it, again.

COVID-19 AND THE ECONOMY

Job losses merit energetic response

NORTH CAROLINA employers shed 616,000 jobs in March and April, according to the latest establishment survey from the Bureau of Labor Statistics. That's a decline of 13% in just two months. Our labor-market collapse will look even worse when BLS releases its next survey.

Were North Carolinians working at restaurants, hotels, and related industries the hardest hit by the COVID crisis and the shutdown orders it provoked? Yes. More than a third of all positions lost so far were in hospitality and food service.

Over the course of two months, fully half of all hospitality and food-service jobs in North Carolina disappeared.

As staggering as those facts are, it's important to recognize that the effects of the Great Suppression extend far beyond the obvious sufferers. For example, N.C. manufacturers have shed 56,000 jobs. Some 51,000 jobs in retail stores went away.

BY THE NUMBERS

616,000

Jobs lost in North Carolina between March and April. according to the U.S. Bureau of Labor Statistics.

The state's economy shed another 52,000 jobs in what one might consider a surprising sector: health care and social assistance. At the start of the crisis, policymakers feared that hospitals and other providers would be overrun with COVID patients, producing unnecessary suffering and death. What happened is hospitals became underpopulated, not overpopulated. Many patients with other illnesses or injuries stayed away, producing adverse medical and economic consequences.

Not all sectors of the labor market sustained large losses, of course. North Carolina's tech companies, financial firms, utilities, and public-sector employers did eliminate some jobs. But so far, the effect has been less than the statewide average.

State government, for example, has shed some 6,000 jobs. Local governments have lost 20,000 positions, but that amounts to only 4% of their total employment. With big budget deficits looming, major government layoffs may still be coming over the next few months. Now, however, the public sector and private sector are experiencing the Great Suppression very differently.

To survey the wreckage of North Carolina's labor market over the past two months is not to devalue the fatalities and suffering caused by COVID-19 itself. Although the disease has proved less deadly than initially feared, it remains deadlier than the flu and an ongoing public-health threat.

But I continue to believe that Gov. Roy Cooper's reaction to the crisis has been too prescriptive, too broad, and too costly to the liberties and livelihoods of North Carolinians. The Cooper administration should have allowed more local variation in the regulatory burden, given that the magnitude of the COVID threat varied considerably across the state. And the administration should be following the lead of other states and nations in reopening the economy more rapidly and extensively.

Alas, ending the shutdown won't be enough. It will take months, if not years, for battered N.C. companies to recover. Some shuttered enterprises will never reopen. If we face a lengthy period of high unemployment, jobless benefits and other government aid will only treat the symptoms. Restoring our labor market to pre-crisis health means encouraging new private businesses to form — and treating all sectors as essential to the future of our state.

COMMENTARY

You seem lost, governor. We certainly are.

JOHN TRUMP
MANAGING EDITOR

I'VE ABOUT HAD IT. Enough, already, with the mandates and decrees enacted to protect us from COVID-19. From each other. The inconsistent and obtuse data. The pedantic lecturing.

Enough. I'm tired, and I'm not alone. I'm sure of that, evidenced by the myriad lawsuits and outright defiance.

I'm tired of the moral platitudes. The lack of leadership, on all levels. The repugnant hubris of choosing winners and losers.

It's as if we've chosen a group of recalcitrant 12-year-olds to select players for a pair of schoolyard kickball teams. I pick you, but not you. You? No, you stink. I want her instead.

Bars are dangerous, says Gov. Roy Cooper, a Democrat. Meeting and gathering, even with social distancing, is irresponsible, he says.

But peaceful protests, with little or no social distancing, are OK, says Cooper, because they're protected under the First Amendment. They certainly are, no matter their roots or the protesters' collective contention. But on that point, the governor isn't so clear. Cooper complained about protests to open businesses and churches, before acquiescing over constitutional rights. Several weeks ago, Cooper marched, sans mask, with protesters seeking justice over the killing of George Floyd.

Cooper's definition of dangerous is replete with variables and caveats.

Gyms and fitness centers are dangerous, says the governor and Mandy Cohen, state health department secretary.

This idea, stated as fact, is simultaneously ironic and hypocritical. Gyms would assuredly take every precaution to take care of their customers, and the customers would most assuredly reciprocate. But gyms remain closed, even though they are essential to continued physical and mental health. All of North Carolina's neighboring states have reopened gyms — as have all but a handful of states — for those reasons and to stave off more foreclosures and bankruptcies.

Sen. Rick Gunn, R-Alamance, has put forth two bills that would reopen gyms and bars, as well as expand seating at restaurants.

Cooper vetoed the first attempt June 5 and, two weeks later, applied his veto stamp to the second, House Bill 594. Each time, the governor responds to questions about his reasoning by shrinking behind Cohen, who launches into a veritable filibuster. Breathing this, science that. I keep waiting for Thomas Dolby to pop out from behind the curtain in Cooper's war room screaming, "Science!"

Cooper, from his emergency bunker, bloviates with little threat of pointed questions or uncomfortable follow-ups. Fed up. That's what I am.

I'm fed up with reporters — from TV and what used to be large, influential statewide newspapers — who ask so-called questions of Cooper parroting his talking points and promulgating his agenda. Cooper's screeners, as a matter of habit, pick out the same reporters who only occasionally ask something that tips him off balance, such as one about nursing homes from an emotional reporter who lost her father and simply wanted answers.

The governor offered sympathy, if little else.

In more than three months of COVID-19 news conferences, Cooper has called on *Carolina Journal* — let me see, now — once! I've concluded it doesn't matter much anymore. Cooper, who is up for re-election, has a big lead in the polls.

Like beer cans at a NASCAR race — last year, anyway — the governor's message is always tilting. In Cooper's case, the tilt veers left, as the spirit of communication becomes political, partisan.

More people are getting tested for the virus, and the percentage of positive results has, for weeks now, fluctuated only slightly.

Enough already.

People 65 and older bring the lowest percentage of positive results — 14% as of Tuesday, June 16 — yet account for 81% of the deaths attributed to COVID-19. People older than 75 account for 61% of deaths.

Cooper and Cohen, spurred by a reporter's question, are considering making masks mandatory in public. Counties around the state are thinking about it. Masks are now mandatory in the city of Raleigh.

Peggy Noonan, recently in the *Wall Street Journal*, wrote that governors were correct in taking strong action early in the crisis, because federal leaders certainly weren't.

"There is no doubt that the lockdowns saved many, many lives and allowed hospitals to hold their ground. Some governors moved late, some made big blunders. ... But at the beginning of the crisis, in the face of federal dithering and denials, they were at least doing something.

"Then they got carried away," Noonan wrote. "The shocked and cooperative citizens of March are the battered, skeptical citizens of June.

"They saw the inevitable politicization of the process. They saw the illogic and apparent capriciousness of many regulations. They suffered financially and saw little sympathy for their plight. They were lectured and hectored. There was no governmental modesty in it."

"There will be exactly zero appetite this fall for daily news conferences in which governors announce the phased, Stage 2 openings of certain sectors that meet certain metrics that some midlevel health-department guy seems to have pulled out of his ear," Noonan writes.

The virus is still here, Cooper says often. He's right, and it's not going anywhere, at least until there's a vaccine.

It's silly to talk about a possible second wave in the midst of the first. Cohen, too, is right when she says we must learn to co-exist — us and the virus.

But, starting now, we need leaders who don't obfuscate or preach. Who offer clear reasons for closing this or opening that. We need reporters to start asking pointed questions and leaders who will answer them, honestly and succinctly.

This virus is dangerous and, in way too many instances, lethal. I'm not discounting its ferocity or its threat to the old and the vulnerable. We're responsible for protecting them, but not through government edicts or with elementary slogans, foggy phases, or pedantic press conferences.

It's like "Groundhog Day" all over again. Cue Sonny and Cher.

North Carolina residents need leadership, a consistent message and guidance based on facts and digestible data.

We need a vision for the economy, not forced empathy or threats of another shutdown. Cooper's words and actions do little toward instilling any semblance of hope or understanding.

Governor, you seem lost. We certainly are.

COMMENTARY

Job churning: How will the job market change?

MICHAEL WALDEN
COLUMNIST

JOB CHURNING. Our economy goes through simultaneous job creation and job destruction. The aftermath of the coronavirus will send this to a new level.

There are still many questions about the coronavirus. Among those is the effect on the job market after the virus is banished.

Economists think that when the virus is gone and jobs return, the mix of those jobs won't be the same. Not all businesses will come back. Despite the massive effort of the federal government to support firms financially during the crisis, many firms have already thrown in the towel, and more will follow. These bankruptcies will take millions of jobs with them.

The virus crisis has also changed consumer buying preferences and altered the ways in which firms conduct business. The best examples are remote working and remote buying, both of which minimize personal contact. If a significant part of these changes survives post-virus, it will mean a big shake-up to the kinds of jobs businesses offer.

Some of the expected job changes haven't been created by the virus crisis. Instead, the virus has magnified ongoing trends and their effects.

For example, as a result of the tremendous increase in online shopping, several nationwide retailers that relied on in-person shopping have closed. The virus didn't create this trend, it simply accelerated it.

But the virus has added a new dimension to the attraction of online shopping. The original benefit of cyber shopping was saving time. The virus has created a new plus — avoiding face-to-face contact and the additional effort (waiting to enter a shop, wearing masks) that in-person shopping will likely entail in the future.

The kinds of jobs available in the next several years will depend on changes made by both businesses and consumers.

There probably will be an increased movement by businesses away from using people to perform tasks toward using more machines and technology. This isn't new; it has been occurring for centuries. Luckily, as technology and machines have replaced people, new jobs for humans in new industries — mainly in the service sector — have developed.

But with the coronavirus, there's now a different liability for using humans to perform jobs. Humans can get sick from, and easily spread, their illness. Even if they stay healthy, workers can be ordered to stay at home, and not work, to contain the spread of the sickness.

A move to more remote working could be the biggest game-changer for jobs. As remote working has expanded during the virus crisis, surveys show many businesses and workers like it. Even if remote working doubled from its pre-virus level of 10% of the work force to 20%, it would affect numerous industries and jobs. Commuting would drop, and so would vehicle purchases. Restaurants would lose lunch customers. Occupancy of office buildings would plunge, meaning cuts in support and maintenance staffs.

Where could new jobs be added? One is servicing households that choose to combine work and home life, and therefore spend more time at home. Jobs related to package and meal delivery, service delivery in health care and education, and improved internet connections are examples.

Second are jobs that manage and facilitate the increase in virtual interactions, which are expected to result from the reduction in personal face-to-face contact. These jobs span many fields — from technical tasks in developing and maintaining digital linkages and programs to content areas in a variety of subjects, including health, education, entertainment, and even travel.

Third, I expect there will be an increase in jobs focusing on preventing and containing future pandemics. These will include jobs in government, in medicine, and in preventive measures for businesses and homes, allowing them to maintain safety because of new virus attacks. We have experienced both the personal and economic damage a serious virus outbreak can cause. Pandemic prevention and mitigation will be an important new calling.

Even in the best of times, our economy goes through simultaneous job creation and job destruction. It's likely the aftermath of the coronavirus will send this job churning to a new level.

Michael Walden is a Reynolds Distinguished professor at N.C. State University.

The great debate: To wear or not to wear?

ANDY TAYLOR
COLUMNIST

IT'S TRITE TO SAY the country is divided. It's a presidential election year, and the racially charged protests over police conduct ended whatever fleeting moment of national unity there was in the age of coronavirus. Splits along racial, generational, and ideological lines run deep, and much ink has been spilled describing them. But here I'm interested more in a subtler but nevertheless important cleavage brought to light by what I call the great mask debate of 2020.

To wear or not to wear? That has become a question pitting Americans against each other. Should people don masks outside the house? Pollsters have discovered that, for many, the mask is an expression of political opinion, a visible statement of beliefs. Roughly two-thirds of those who always wear a mask in public are supporting Joe Biden for president this fall. Only 7% of those who never put one on say they are.

Much has therefore been made of those who refuse the mask. To the many in the media, they are Trump supporters mimicking the president's reckless machismo and dangerous disregard of expertise. Or perhaps they are principled but kooky ultra-libertarians. Either way, they are misguided and represent a clear threat to public health, particularly to those who seemed most vulnerable to the coronavirus, immigrants, racial minorities, and the elderly.

Serious self-examination is not a strength of the righteous. The coverage of the divide has been superficial and one-sided. Beyond their obvious good sense in supporting the Democratic presidential candidate, little is said about those who want everyone in a mask. But the motives and behavior of "maskers" tell us a great deal about American public life.

Many who believe leaving home without a mask is dangerous believe in a truth with all the zealotry of a revivalist preacher. Some are indeed experts in a field, although inevitably most are not in anything related to medicine or public health. They base their faith on a deep trust in an understanding of science and its practitioners, a world where there exist not just objective facts but an endless supply of them. Through an educational credential or two, these maskers believe they have been taught to know. They therefore have a monopoly on knowledge. It's their duty to impose it on others. To challenge them is heretical. Even requests to consider the epidemic a complex problem with considerable economic and health costs related to lockdown is illegitimate. They have, as my daughter would say, a "Karen"-like quality.

In an ironic twist, many senior maskers' intellectual heroes are from the counterculture of the 1960s. These radicals' mantra was relativism, that there is no truth, and everything is a social construct. These ideas have long been forgotten. At the vanguard of the current masker movement are the young and the woke. Skepticism is out; absolutes and conformity are in.

Of course, one thing we have learned during this crisis is there's a lot that medical experts don't know. They're also a very contentious bunch. Think about how predictions on cases, hospitalizations, and deaths have changed, how we have received conflicting advice on matters like the production of ventilators, use of drugs in treatment, the need to treat surfaces, the nature of transmission, and the virus's seasonal effects. It's more than an oversimplification for journalists to report "experts say." It's inaccurate. Some or many experts might say it, but far from all. But most journalists are maskers. Strict adherence to the advice of a supposedly unified medical community is the only rational course of action.

A lot of "maskers" seem smug. That's because many are professionals whose careers have high barriers to entry — graduate degrees and years of preparation, for example — but then protect them from market forces and job loss through licensing and tenure laws. While the virus and lockdown brutally sideswiped millions, these engineers, professors, and lawyers pontificated on how best to confront the pandemic from the comfort of their home offices. Because the immediate economic costs they paid were small, the health costs they potentially faced seemed high. They could afford to resist the economy's reopening.

The mask debate — or, more accurately, a proxy conflict over how quickly to reopen the economy — has also brought to light a deep schism in the business community. Big corporations with their economies of scale, significant web presence, and diverse supply chains can weather the current disruptions in economic activity. Small businesses, disproportionately represented in the service sector and with employees who must work on site, cannot. The Payroll Protection Program has helped alleviate the harm to small businesses somewhat, but many owners have tapped into personal savings and 401ks to prevent going under.

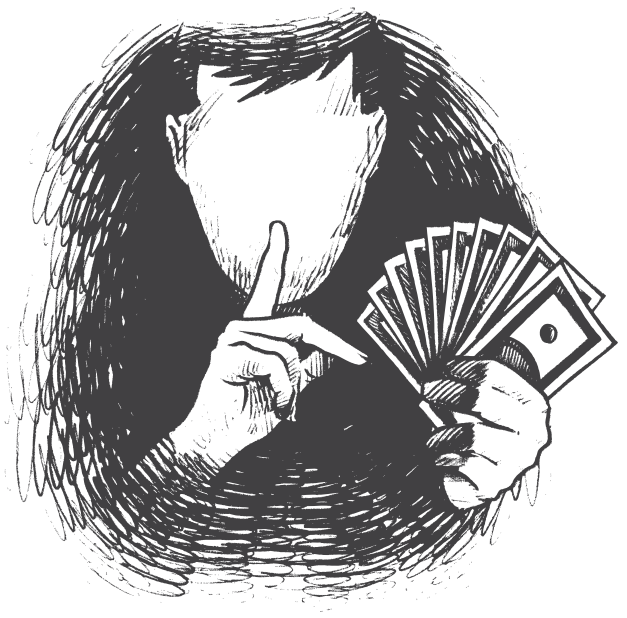
So, "mainstream" media, let's have a little more balance to the coverage of the pandemic, particularly the issue of mask wearing. A little humility on your part wouldn't hurt, either.

Andy Taylor is a professor of political science at the School of International and Public Affairs at N.C. State University.

COMMENTARY

Is Medicaid expansion free to the state?

JORDAN ROBERTS
HEALTH CARE POLICY ANALYST
JOHN LOCKE FOUNDATION



Amid the pandemic, state lawmakers and liberal advocacy groups continue a push to expand Medicaid, as allowed by the Affordable Care Act. Since the U.S. Supreme Court ruled Medicaid expansion is optional, state lawmakers have decided against moving forward with the policy.

Expansion proponents say the state won't have to pay anything, and that such a policy should be uniformly supported. But a careful consideration of Medicaid expansion funding shows the program is anything but free for residents.

One must begin with the financing structure of Medicaid. Just like the typical Medicaid population, the expansion population is jointly funded by federal and state governments. Starting in 2020, the federal government will fund 90% of the program's cost, leaving the state to pay the remaining 10%.

To fund the state share of the program, the state's expansion advocates have proposed using a tax on hospitals and other providers for that 10%. Using a provider tax to pay for the state share of expansion gives the illusion of no costs to the state. Money flows from hospitals to the state General Fund disguised as a tax. Then, the state turns around and sends that same money back to the same providers in the form of supplemental payments. These payments are then rewarded by federal dollars at a ratio of 9:1. Provider taxes shift the actual costs of the program to the federal government's ballooning debt.

Of course, additional state dollars could be needed if the program's actual costs exceed projected costs. Chances of cost overruns are high because Medicaid is an open-ended entitlement, meaning anyone who qualifies for the program must receive benefits. Research shows taxpayers have spent 157% more on Medicaid expansion in other states than initially projected. If North Carolina expands Medicaid, it must accept the additional costs that come with it.

Equally important is a common claim that expansion would just reclaim tax dollars North Carolinians are sending to other states. This claim misunderstands the way Medicaid is financed. There's not a magic pot of money sitting in Washington, D.C., funded by all states and divided between the states that expanded Medicaid. Architects of the ACA advertised it as a deficit-neutral bill. Notwithstanding the fact that many of the taxes to fund the bill were never implemented, the federal government, which funds 90% of the costs, was already running a nearly $1 trillion yearly deficit before the pandemic, and the deficit has swollen to $3.4 trillion. That means all the money taxpayers send to D.C., and more, is already spent upon arrival.

North Carolina wouldn't be reclaiming tax dollars going to other states with expansion but would be increasing the federal deficit. There's no money in Washington for North Carolina to bring home; we're borrowing from future generations. Plus, higher federal debt brings macroeconomic consequences.

Not only will North Carolinians pay for the expansion through the consequences of exorbitant federal debt, it's likely they'll pay higher health care prices in our state as a result of Medicaid expansion. Declining numbers of the privately insured and an influx of Medicaid reimbursements are the root cause. Expanding Medicaid in North Carolina would crowd out private insurance. Some covered by private insurance will drop this coverage and become newly enrolled in Medicaid, meaning the risk pool for private insurance and the share of private insurance payments to providers would shrink. Private insurance pays far higher rates than Medicaid for the same services.

As Medicaid enrollment grows and private insurance enrollment shrinks, both insurers and providers are likely to raise prices. Other states have documented this phenomenon.

By using a clever accounting scheme, which has been abused for decades, expansion advocates can claim the state won't spend any money on expansion. Medicaid expansion will be paid with deficit spending at the federal level. At the state level, lawmakers would disguise the costs by passing them to the federal government. Medicaid expansion would further distort the health care market and probably cause private prices to rise.

If you think the idea that North Carolinians won't owe a cent for Medicaid expansion is too good to be true, it's because that it is.

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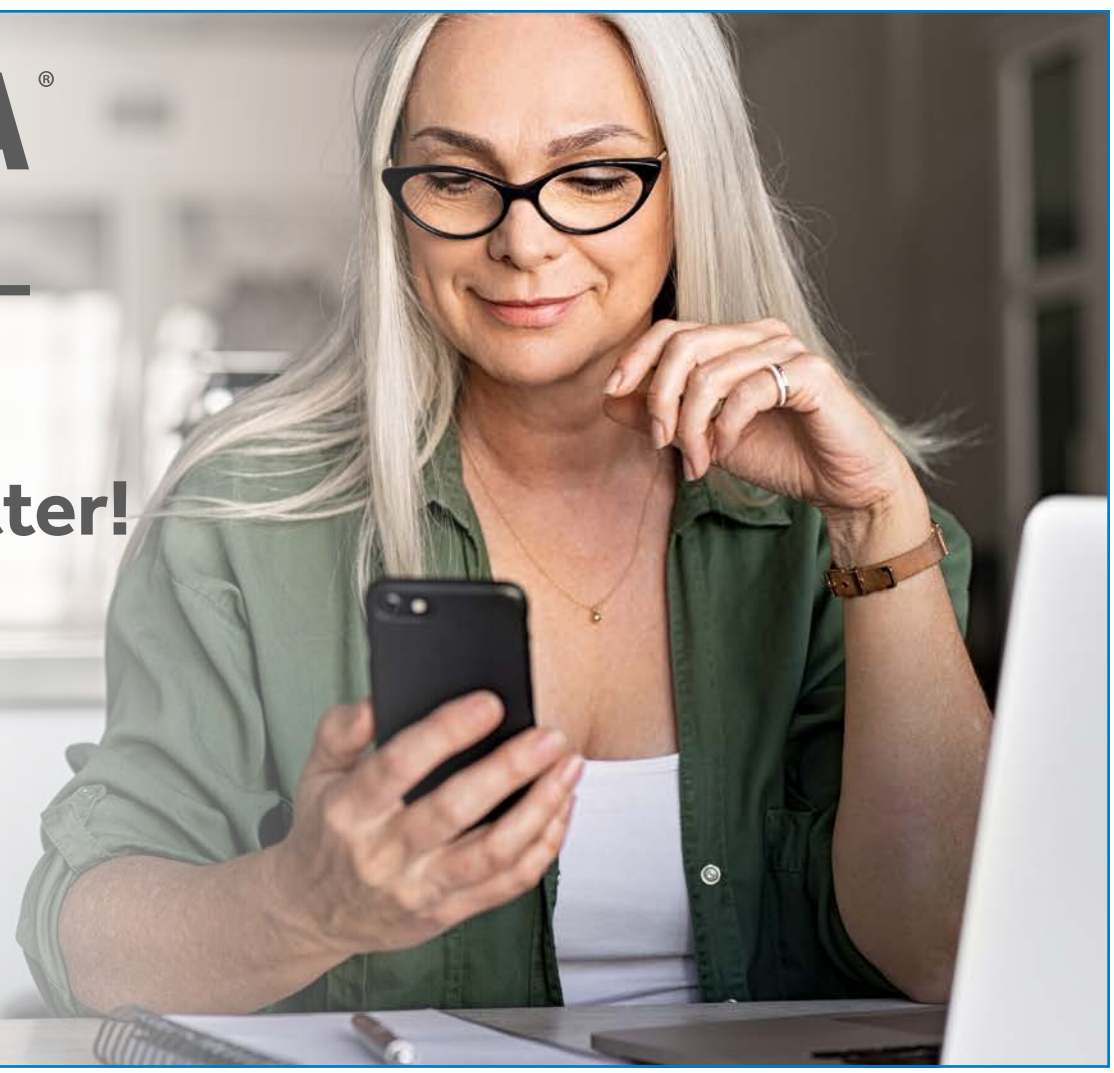
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