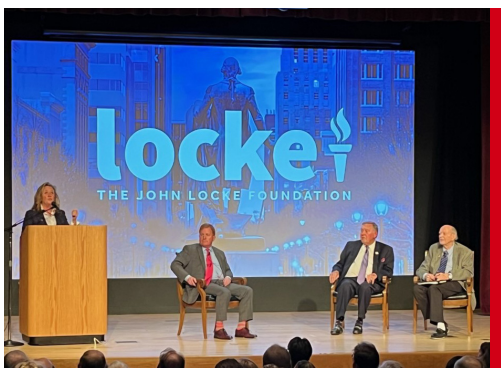


Watergate Exposed

In a recent symposium at the North Carolina Museum of History, two key figures in the 1973 Watergate investigation shared their stories that led to the resignation of President Richard Nixon.

***story online* @ carolinajournal.com**

THE CAROLINA JOURNAL

AN AWARD-WINNING JOURNAL OF NEWS, ANALYSIS, AND OPINION FROM THE JOHN LOCKE FOUNDATION CAROLINAJOURNAL.COM **VOL. 32 • NO. 1 • FEB/MAR 2023 • STATEWIDE EDITION**

Follow the Money

COOPER'S GREEN AGENDA

As the North Carolina Utilities Commission works on a Carbon Plan that would dramatically shape the state's energy future, the state grew by 133,088 people in 2022 alone, the third fastest-growing state in the nation. Norh Carolina's tax climate is the primary draw, along with the quality of our work force and higher education system.

One variable in the equation will keep the economic progress engine moving forward or stop it in its tracks: affordable, reliable energy.

The state's electrical grid was tested this year between rolling blackouts and an attack on a substation in Moore County, but the test has been coming. Since taking office in 2016, Gov. Roy Cooper has made transitioning the state to renewable energy a centerpiece of his agenda. Over his tenure, a series of four executive orders highlights his policy goals and points to the disconnect between "green" dreams and reality. While executive orders are not laws, they outline policy mandates and direct state agencies to expend money, time, and resources toward them.

Beyond his ideological stance, Cooper has a vested interest in the transition to renewables; he and his brother own land in Nash County with an estimated $1 million annual lease to Chapel Hill-based Strata Solar. However, his political career is also closely tied to enacting green policies.

Donations from climate change political action committees account for nearly 25% of his campaign funds in 2016. The money has helped him not only claim the governor's office but shuffle off campaign money to Democrats across the state vying for seats in the N.C. General Assembly and elsewhere.

Cooper was the beneficiary of nearly $3.5 million in indepen-

continued PAGE 11

FACEBOOK

Gov.Roy Cooper signs House Bill 951, which sets N.C. energy policy.

Rolling blackouts signal policy problems ahead in NC's power grid

BY DONNA KING

As 2023 approached, the engine of the state's economy and quality of life seemed to dim. What so many North Carolinians took for granted, electricity, was in short supply during a Christmas cold snap, and thousands were left at the mercy of rolling blackouts on Christmas Eve and Christmas Day. Duke Energy has apologized to residents and the N.C. Utilities Commission, saying it was a series of failures that compounded over a few hours.

"I want to express how sorry we are for what our customers experienced," said Julie Janson, executive vice president and CEO of Duke Energy Carolinas. "Winter storm Elliott was an extremely powerful event with a unique confluence of high winds, extreme temperature drops, and other conditions that forced us to curtail power as a last resort. We regret not being able to provide customers as much advance notice of the outages as we would have liked, and we acknowledge that the outages themselves lasted far longer than we expected."

Renewables advocate Simon Mahan, executive director of Southern Renewable Energy Association, claimed the blackouts confirmed the promise of solar and wind.

"Had it not been for solar power on December 24, the Duke Energy Carolinas system would have been in even more dire straits," he said. "Solar performed quite well when it was needed. Anyone that went through these storms knows that those days were really quite sunny."

However, a Duke Energy

continued PAGE 10

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

CAROLINA JOURNAL
4800 SIX FORKS ROAD, #220
RALEIGH, NC 27609

CJ ONLINE
carolinajournal
@CarolinaJournal
www.carolinajournal.com
editor@carolinajournal.com

CJ

PUBLISHER
Amy O. Cooke
@therightaoc

EDITOR-IN-CHIEF
Donna King
@DonnaKingCJ

OPINION EDITOR
David Larson
dlarson@carolinajournal.com

STAFF WRITERS
Theresa Opeka
topeka@carolinajournal.com
Dallas Woodhouse
dwoodhouse@lockehq.org

CONTRIBUTORS
David Bass
Brayden Marsh
Zach Rounceville

CREATIVE DIRECTOR
Greg de Deugd
gdedeugd@lockehq.org

GRAPHIC DESIGNER
Bill Capps
bcapps@lockehq.org

PUBLISHED BY

locke
THE JOHN LOCKE FOUNDATION

The John Locke Foundation
4800 Six Forks Road, #220
Raleigh, N.C. 27609
(919) 828-3876 • Fax: 821-5117
www.JohnLocke.org

Paul Slobodian
Chairman

Jim Anthony, Julie Scott Emmons, Bill Graham, John M. Hood, Ted Hicks, Christine Mele, Rodney C. Pitts, Paul Slobodian, Paul "Skip" Stam, David Stover, Edwin Thomas
Board of Directors

ISSN 2578-8167 Carolina Journal is a monthly journal of news, analysis, and commentary on state and local government and public policy issues in North Carolina.

©2022 by The John Locke Foundation Inc. All opinions expressed in bylined articles are those of the authors and do not necessarily reflect the views of the editors of CJ or the staff and board of the John Locke Foundation. Material published herein may be reprinted as long as appropriate credit is given. Submissions and letters are welcome and should be directed to the editor.

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

A case for civility

DONNA KING
EDITOR -IN-CHIEF

In the opening days of the legislature, I noticed a drop in the political temperature. I believe that members on each side of the aisle viewed the upcoming legislative session as an opportunity to put November's election behind them and move forward. N.C. voters sent a Republican supermajority to the Senate and a Republican majority to the House, plus a Republican sweep of statewide judicial races; nonetheless, the air seems a little more bipartisan than it has in recent months.

In the House, 12 Democrats were appointed to leadership roles on committees. The House speaker and the minority leader seem to have a genuine relationship built on respect. The "part-time" legislative schedule, late nights, and chaotic first week always build a level of camaraderie among members. So far, this year is no exception.

I've been working around the state legislature for many years, and I am quite proud of those we elect to serve. Generally, they are true public servants who pick up the phone when they are needed, attend hundreds of fundraisers, funerals, dinners, and meetings in their communities each year, in addition to meeting the needs of their own families and jobs.

The polarization we see in 24-hour news or on Capitol Hill is not as pronounced here in Raleigh. While I certainly see the vitriol, empty accusations, and name-calling on social media — usually behind the veil of an organization or pseudonym — in real life, face-to-face workdays at the General Assembly discussions are truly an exchange of ideas in search of a solution.

I encourage those who are fed up with the apparent lack of civility in politics to check out the livestream of committee meetings and floor sessions held each week on www.ncleg.gov. You'll find that, for the most part, lawmakers do respect each other, celebrate birthdays, listen, debate, and find compromise when

continued PAGE 19

Gallup poll, 2022

The percentage of Americans who say they "worry a great deal" about the cost of energy has jumped from 22% in 2020 to 47% in 2022. Another 30% say they worry "a fair amount," while only 17% say they worry "only a little" and 5% "not at all."

The New RPS: Reliable Portfolio Standard

MATTHEW HENRY - UNSPLASH

AMY O. COOKE
PUBLISHER

Would you get on an airplane that is 100% unreliable?" Of course not.

That was a serious question a former Utilities Commission staffer asked me after I shared this confession Carolina Journal uncovered in a 2018 N.C. solar power application: "Solar is an intermittent energy source, and therefore the maximum dependable capacity is 0 MW."

In other words, because solar is weather-dependent, it is 100% unreliable. The same is true for wind. They may be available when we need power, or they may not. It's a crapshoot. That's why they are considered "nondispatchable" energy sources. They cannot be relied upon whenever customers want to turn on a light or heat their homes.

Unless someone has a death wish, most of us wouldn't buy a ticket on an airplane that is 100% unreliable. So why would we as ratepayers pay for a grid that relies on power from a source that is 100% unreliable? Investment in unreliable sources takes away much-needed capital to invest in reliable, dispatchable, and clean baseload sources like nuclear, natural gas, and coal with carbon sequestration.

Despite the lack of reliability of renewable sources, 29 states and the District of Columbia have a Renewable Portfolio Standard in statute, meaning utilities must provide a certain percentage of power from unreliable renewable energy sources. In 2007, North Carolina proudly boasted its 12.5% RPS, the first in the Southeast. It also came with a generous package of financial incentives, including a 35% state income tax credit in addition to a 30% federal tax credit. The state tax credit has since expired.

Why invest in an unreliable power-generating source? Be-

continued PAGE 19

This Issue

4
Senate Republicans introduce Parents' Bill of Rights

6
N.C. Auditor Wood comes under fire for a hit and run

7
House rule change could impact whether legislature can override vetoes

9
New NC Supreme Court could rehear redistricting, voter ID cases

Nearly 7-in-10 likely NC voters support school choice options

BY DAVID BASS

Support for school choice options remains strong from likely N.C. voters, according to results of the latest Civitas poll by the John Locke Foundation.

The poll results dropped Jan. 26 during National School Choice Week, a nationwide celebration of diversity in educational options.

Details were announced during a special event in downtown Raleigh co-hosted by the John Locke Foundation, Parents for Educational Freedom, and other school choice groups.

Sixty-seven percent of respondents support the Opportunity Scholarship Program, a means-tested scholarship that allows low- and moderate-income families to send a child to a private school of their choice.

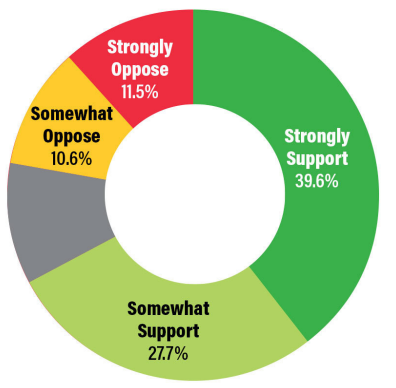
An even greater share of N.C. voters — 69% — support the state's Education Savings Account, which provides funds for families to pay for an array of educational expenses, such as tuition, tutoring, therapies, or instructional materials.

Charter schools also got high marks from likely voters, receiving 69% support among those surveyed.

"Public charter schools are part of the public school family. Parents want and deserve a choice in deciding the best educational environment for their children," said Lindalyn Kakadelis, executive director of the N.C. Coalition for Charter Schools, in a statement responding to the poll results. "That's glaringly apparent from charter school enrollment — which increased three-fold in just the past decade — and from poll after poll."

NC Opportunity Scholarship

The North Carolina Opportunity Scholarship Program provides government-funded vouchers of up to $6,168 to low and moderate-income students that can be applied to tuition at a private school of their parents' choice. In 2022 about 24,000 students participated in this program. Do you support or oppose the opportunity scholarship program?



Cygnal Polling, on behalf of John Locke Foundation, surveyed 600 likely general election voters from January 22-23, 2023 with a margin of error of ±3.99%.

locke CIVITAS POLL CYGNAL

Contributing to the desire for school choice is the general disapproval likely voters have of the state's traditional public school system.

Sixty-six percent said they were dissatisfied with the quality of K-12 education in the United States today, with 40% of those being very dissatisfied.

Forty-nine percent of respondents were dissatisfied with how well North Carolina has done in addressing pandemic-induced learning loss, with only 21% saying the state has done an adequate job and 9% reporting satisfaction with the job the state has done.

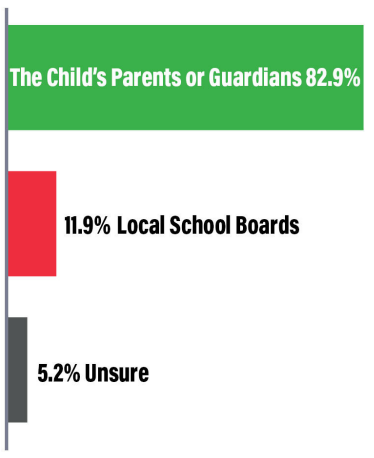
An overwhelming majority of North Carolinians believe that parents/guardians should choose what school is best for their children.

Nearly 83% of respondents said a child's parents are best suited to determine where their child attends school, while less than 12% believe local school boards are best suited.

"Parents belong behind the wheel of their child's education," said John Locke Foundation President Donald Bryson. "North Carolinians want families to have more power over the educational opportunities of their children. It is past time for the state of North Carolina to fund students and not systems."

Who Decides?

Who is best suited to determine where a child should attend school out of the following options?



Cygnal Polling, on behalf of John Locke Foundation, surveyed 600 likely general election voters from January 22-23, 2023 with a margin of error of ±3.99%.

locke CIVITAS POLL CYGNAL

> **Parents belong behind the wheel of their child's education. North Carolinians want families to have more power over the educational opportunities of their children. It is past time for the state of North Carolina to fund students and not systems.**
>
> - Donald Bryson
> John Locke Foundation

Speaking at the school choice event Jan. 26, Superintendent of Public Instruction Catherine Truitt said that school choice is the "great equalizer" in education.

"So many times elected officials turn to complaining about why families leave traditional public schools," Truitt said.

"But I believe that competition is good because it spurs innovation and improvement. It empowers individuals."

Asheville's current water crisis only latest chapter in city's water saga

BY ZACH ROUNCEVILLE

At its Jan. 24 meeting, the Asheville City Council appointed members to a new independent review committee in the wake of a recent water system failure, which left much of the service area without potable water during the holiday season.

Beginning on Dec. 24, several water-treatment plants in the Asheville area began to experience issues, with outages occurring until Jan. 1. Water system outages left thousands of residents without potable water for a week. Asheville Mayor Esther Manheimer referred to the outages as an "unprecedented crisis" at a press conference updating residents on the water system restoration on Dec. 30.

But such issues with the Asheville water system could have been avoided, according to some critics, had the water-revenue funds been used properly for infrastructure and repairs instead of on other projects, or if an independent water system plan, passed by the General Assembly, had not been declared unconstitutional by the state Supreme Court.

Carolina Journal spoke with former N.C. House Rep. Chuck McGrady, a Republican, who discussed his views on the water system problems as well as efforts he took to fix them during his tenure in the General Assembly. McGrady said that complications have been occurring for years, and he took issue with Asheville's handling of funds meant to support the system's infrastructure.

"Back in 2003 there was an authority to deal with water between Buncombe County and the city of Asheville, and that resulted in them being allowed to take some of the water revenues and distribute them either to the county or the city, meaning those revenues weren't being consistently put back to fund repair of infrastructures or replacement of infrastructures," McGrady said. "That's a real problem. You have to maintain these systems. It's not just about pulling the revenue in. You need to pull the revenue in and bank some of it because you know you're going to need to replace those pipes; you're going to need to replace that plant."

McGrady said there were two things that led to the current Asheville water crisis. The first is that

continued PAGE 12

ASHEVILLENC.GOV

The North Fork Reservoir and Water Treatment Plant serve as the City's primary drinking water source, providing 70% of Asheville's water.

Senate Republicans introduce Parents' Bill of Rights

BY ALEX BALTZEGAR

On Feb. 1, N.C. Senate Republicans held a press conference introducing the Parents' Bill of Rights. which they say would give parents more control over the direction of their child's education and require more transparency in public schools.

During a meeting of the Senate's education committee, where the bill was later debated, several Democrats objected, calling the bill "divisive."

Senate Bill 49 would prevent material discussing gender ideology, sexual activity, and sexuality in the classroom for children in kindergarten through fourth grade. The bill would also require schools to tell the parents when a child wants to change his or her pronouns.

Schools and educators have faced backlash from parents across the country for withholding critical information about their children, such as a child wanting to change their gender.

A WRAL/SurveyUSA poll found that 58% of N.C. adults support legislation that bans instruction in sexual orientation or gender identity issues for students in kindergarten through third grade, with 45% being strongly in favor.

"This bill provides parents a path to be more involved in their child's education," said Sen. Amy Galey, R-Alamance, a lead sponsor of the bill. "It affirms their rights by actually enumerating them listed."

Sens. Michael Lee, R-New Hanover, and Lisa Barnes, R-Nash, are also bill sponsors.

"I see [S.B. 49] as a win-win, not only for parents and students but for parents and teachers," said Barnes. "I see this bill as fostering parental involvement, clearly setting expectations for the role of public instruction, and promoting transparency."

Several Senate Democrats adamantly opposed the bill during the committee meeting. Sen. Natasha Marcus, D-Durham, called the bill disappointing and "divisive" and questioned whether bill sponsors had reached out to various interest groups about "the harmful consequences of these proposals."

"It baffles me to think that this bill could be divisive," Galey responded. "I cannot understand why it would be controversial to say that children ages 5 to 9 years old should not be taught about sexuality or sexual activity in a public school classroom. That blows my mind."

The North Carolina Association of Educators also stated its opposition to the Parents' Bill of Rights. NCAE is an organization that represents about 18% of public school teachers and lobbies lawmakers for left-leaning education policies.

"This bill tells portions of our communities, especially those that identify as LGBTQ plus, that they are not well. Many of the provisions provided in this bill aren't even necessary because they include rights that parents already have," Tamika Walker Kelly, president of NCAE, told committee members.

Andre Beliveau of the John Locke Foundation testified in support of S.B. 49.

"The John Locke Foundation supports education policy in North Carolina that ensures transparency and accountability in education and upholds the rights of parents and guardians to oversee the direction of their children's education, physical health, and mental well-being," said Beliveau. "We believe Senate Bill 49 ensures these policy goals."

A recent poll showed 66% of likely voters in North Carolina are dissatisfied with the quality of K-12 education.

"Parents are frustrated by what they see and don't see going on in the classroom," said Bob Luebke, director of Locke's Center for Effective Education. "They are tired of being margin-

continued PAGE 12

The bill stipulates that every parent has a right to:

- Direct their child's physical, mental, and emotional health.
- Direct how and where their child is educated.
- Transparency when dealing with their child's teachers and school.
- A classroom and school environment that is safe and nurtures their child's well-being.
- Be actively engaged in their child's education.
- Resources and accountability of school districts, administrators, and teachers.

CJ FILE PHOTO

The N.C. Senate Education Committee debates the Parents' Bill of Rights.

What to expect from state legislature's 2023 session

BY CJ STAFF

In January, the North Carolina General Assembly held opening ceremonies to kick off the 2023 legislative session. In odd-numbered years, legislators hold a "long session" starting in January. They then adjourn for a "short session" in even-numbered years.

In the November elections, Republicans gained two additional seats in the state House and two more in the state Senate. Picking up two seats was enough to secure a veto-proof supermajority in the Senate, but left Republicans one seat short in the state House.

"North Carolina voters returned a Republican supermajority to the state Senate, and we plan on honoring that endorsement of Republican governance," said Senate leader Phil Berger, R-Rockingham, about the agenda for the long session. "Bills that didn't cross the finish line, whether stalled in the legislative process or vetoed by the governor, could certainly come up again. I know issues including voter ID, parental rights in schools, and tax cuts are on the minds of our members. I look forward to the work that lies ahead of us."

In 2021 and 2022, Republicans did not have supermajorities in either chamber and never overcame Gov. Roy Cooper's vetoes of significant legislation.

This year, that could change.

Here are some of the most high-profile topics likely to be deliberated in North Carolina's legislature this year:

Medicaid expansion

Pressure to expand Medicaid in North Carolina has grown as the state becomes one of 11 not to expand. For North Carolina, expansion could put more than 600,000 mostly able-bodied, working-age adults onto the taxpayer-funded health care program. In recent years Republicans have held their ground against expansion, but Berger now says he sees an agreement on the horizon.

"I have told folks that I felt like by the time the two-year session is over, North Carolina will have expanded Medicaid," Berger said. "There's a deal in there somewhere."

In the last legislative session, Berger led the Senate to pass a health care proposal that included Medicaid expansion under the federal entitlement program, the Affordable Care Act. House Bill 149 contained work requirements for Medicaid expansion enrollees and measures the senators say would cut regulations on the health care industry and expand the number of providers and facilities. However, the N.C. House did not pass the Senate's proposal.

Abortion law

The ball is in the General Assembly's court regarding abortion legislation. States can now set their own abortion laws after the U.S. Supreme Court delivered the Dobbs v. Jackson Women's Health Organization decision over the summer. Abortion is legal in North Carolina for the first 20 weeks of pregnancy. Among restrictions on the procedure, state law requires a 72-hour waiting period, bans telemedicine for chemical abortions, and bans anyone but a licensed physician from performing an abortion.

In December, Planned Parenthood South Atlantic and other allied abortion advocates dropped their challenges to five different N.C. laws pertaining to abortions. In August, Berger told reporters that there was an interest among the lawmakers at that time to limit abortion after the first trimester, normally defined as the 12–to-13-week mark. House Speaker Tim Moore, R-Cleveland, has voiced his support for a "heartbeat bill," which would make abortions illegal once ultrasounds detect a fetal heartbeat. Doctors can typically detect heartbeats at about the six-week mark. Berger and Moore have also stated their support for exceptions for rape, incest, and protecting the mother's life.

However, both leaders have stated that these positions are personal views, not their respective caucuses'.

Redistricting and voter ID

In December, just before the lame-duck 4-3 Democrat-majority N.C. Supreme Court ended, the court issued a 4-3 party-line ruling that threw out the state's photo voter identification law and the state Senate election map.

Voter ID was passed by a majority of North Carolina voters in 2018 as a constitutional amendment, and the General Assembly enacted that voter mandate, but it was vetoed by Gov. Roy Cooper.

Lawmakers overrode Cooper's veto, but Senate Bill 824 has been tangled in court ever since.

Now that the voters elected a high court that is 5-2 Republican, a voter ID law could survive legal challenges.

The 2022 congressional district maps were drawn for one-time use after the N.C. Supreme Court allowed a three-judge panel to appoint "special masters" to redraw the maps passed by the General Assembly. Lawmakers are likely to redraw the congressional map this year and will now have to go back to the drawing board on the state Senate map as well. The state Supreme Court's December ruling comes after Senate Republicans won a supermajority in the November 2022 election with maps approved by trial judges.

The N.C. Supreme Court did not rule against the House map. House Republicans came up just shy of a supermajority.

Sports betting

In the last legislative session, the House voted down a bill to make online sports gambling legal, but there will likely be another push to legalize online wagering in 2023.

Senate Bill 688, which would have legalized online sports betting, was a bipartisan bill that passed the Senate but did not clear the House. It failed by a vote of 49-52 on June 22 last year.

Several companies and legislators have advocated legalizing online sports gambling in North Carolina. With a new class of legislators taking office in 2023, proponents might have the votes to pass legislation similar to S.B. 688.

Additional issues getting lawmakers' attention going into the next session are school choice, parental rights and learning loss in schools, and energy infrastructure.

Affordable housing bill 'will come back up this session,' NC Senate majority leader says during panel

CJ STAFF

At Raleigh's City Club, panelists from both the left and right sides of the aisle were largely in agreement that North Carolina's booming urban areas are not seeing enough homes being built for how quickly populations are growing, and that this was increasingly spiking the price of homes to a place outside the reach of too many residents.

A summit billed as "Keeping Housing Affordable in North Carolina," was co-organized by the CATO Institute and the John Locke Foundation.

The event began with CATO senior fellow Michael Tanner presenting a report on what went wrong in California's housing market and how other states can avoid their fate.

"They stopped building housing, and the result is what you see today," Tanner said. "And you're seeing that in places like North Carolina now."

He said, like California, North Carolina is drawing people quickly because of good economics, a great climate, good universities, and other attractive qualities. But, also like California, the state isn't building enough homes to house all of these new residents.

Tanner said that "the situation is actually growing worse," because while a decade ago the state was only slightly behind in building housing, that gap between the number of people arriving and the number of houses being built has expanded. And as a simple supply-and-demand equation, this has made those houses much more expensive as everyone competes to buy them.

"More and more we find out that this one is not [a complicated equation]; this is a problem of Economics 101," Tanner said.

Did You Know?

The City of Raleigh recently launched the first Fast Track program in the state to cut through regulatory red tape for homeowners wanting to build Accessory Dwelling Units on their private property. Building plans in the program have be pre-reviewed for code compliance.

CJ FILE PHOTO

After sharing some of the impacts of these spiking housing prices — including lost jobs, poverty, racial segregation, homelessness, and putting native North Carolinians at a comparative disadvantage — he highlighted a few solutions that could increase the number of housing units coming onto the market.

Tanner said the main impediment was exclusionary zoning, which he said included overregulating things like setbacks, multifamily residences, parking spaces, lot sizes, building height, and accessory dwelling units. He also said making building permits "by right" if they meet local regulations is important so that local zoning and planning boards don't hold up projects unjustly.

Tanner said North Carolina's legislature could intervene and pass statewide legislation on this because the state is a quasi-Dillon's Rule state, meaning that generally the state gets to decide what areas localities have jurisdiction over, as opposed to Home Rule states, where localities can rule on things unless the state has directly ruled they cannot.

After Tanner's speech, there were two panels to discuss the issue further. The first — featuring Tim Minton of the North Carolina Home Builders Association, Brent Woodcox of YIMBY Raleigh, and Bill Rowe of the North Carolina Justice Center — discussed the problems; while the second panel — featuring state Sens. Paul Newton and Tim Moffitt, and state Rep. Vernetta Alston — focused on solutions.

In the first panel, Minton discussed 25-30% of the cost of many housing projects that his membership builds is due to regulations like those discussed by Tanner. Sometimes there are many units ready to be built, but local planning and zoning boards insist that they cannot use vinyl siding or other perfectly safe, efficient materials.

In the second panel, Newton, who had been a sponsor of a bill last session to address affordable housing through making building easier across the state, recounted a story of a wedding venue he was involved in building.

"I cannot describe the torture chamber that planning and zoning is unless you've been there," Newton said about building the venue in "the middle of nowhere" even after getting the approval of every neighbor. "They have no concept that time is money. It is horrific, and it is real that it adds time and cost to any building project."

He said the planning board took the opportunity to delay the project again and again. They required the parking lot to be grass surrounded by trees, but then later delayed it further to make sure that the trees were doing a good-enough job blocking traffic on the lightly traveled two-lane rural road from seeing cars.

"I guarantee you that the private sector will fill this void if we unleash them, but they cannot do that with these planning and zoning laws."

Newton, who was just selected to be the next Senate majority leader, said that local officials are under a lot of pressure not to relax zoning restrictions, so they should be grateful that General Assembly leaders are willing to take this issue off their plate.

"We're trying to make things easy for you with this bill, and it's going to come back up. Some form of it's going to come back up this session."

6 EXECUTIVE BRANCH

N.C. Auditor Wood comes under fire for a hit and run

BY CJ STAFF

A well-respected state leader used to scrutinizing how organizations conduct business is facing some scrutiny of her own for an incident in December.

State Auditor Beth Wood, a Democrat, was involved in a hit-and-run accident with her state-issued vehicle on Dec. 8 near the intersection of Salisbury and Hargett streets in downtown Raleigh. She was charged on Dec. 12 with a Class 2 misdemeanor for hit-and-run, leaving the scene, property damage, and an infraction for unsafe movement.

Video obtained by WRAL appears to show Wood being led into a building housing the law office of Rufus Edmisten, a former N.C. attorney general and secretary of state, while her car remained on top of Chris Valverde's car.

Valverde, of Pinehurst, had lent the car to his daughter so she could get to work that night.

CJ FILE PHOTO

State Auditor Beth Wood was involved in a hit-and-run accident with a state-issued vehicle.

Wood initially referred requests for comment to her attorney, Roger Smith of Tharrington Smith, a Raleigh law firm, but on Jan. 23, she issued the following statement to reporters:

"On the evening of December 8, 2022, I attended a holiday gathering in downtown Raleigh. I was at the event for approximately two hours. When I left, I made a sharp right turn and inadvertently hit a parked car. I was shaken by the incident and, when I was unable to move my vehicle, I left the scene. That was a serious mistake, and I regret my decision.

"The next morning, I notified State Motor Fleet Management that I was involved in an accident and subsequently was cited by police for unsafe movement and for failing to provide my name and other information to the owner of the car or a law enforcement officer.

"I sincerely regret my actions and will continue to cooperate with law enforcement. I have served the people of North Carolina as their State Auditor since 2009. I made a mistake in judgment on December 8, but I am committed to continuing to perform my duties with the same energy and determination I am known for.

"I apologize to the owner of the car I hit, my staff and all I serve for leaving the scene of the accident. I have learned from this mistake and am fully accepting personal responsibility for my actions."

Valverde released his own statement, citing Wood's lack of transparency about the incident.

"Mrs. Wood has made her bed and now has to sleep in it," he said in a written statement to WGHP-TV. "I just hope that the justice system is fair and impartial when handling this case and not use her position as a privilege to skate out of it unscathed. What she did is wrong. Not only the hit and run, but the lack of communication with me and the people of North Carolina as well. Her silence speaks volumes of her character and how she handles tough situations, I can only imagine how she handles tough situations when it comes to the duties and responsibilities of being the state auditor."

In an interview with WRAL-TV in Raleigh, Valverde said he didn't discover the name of the other driver until Jan. 6.

"I'm just kind of in awe," Valverde said. "One, like, how could something happen like that? And two, why would someone just flee the scene like that? ... We trust our government officials to be responsible in everything they do, and I think that was very irresponsible of her to flee the scene."

Meanwhile, the N.C. Republican Party is calling on Wood to resign, and a billboard has gone up in Youngsville making the same demand.

Also, on Jan. 23, the Raleigh News and Observer reported that Wood's spokesperson, Lane Rosen, resigned. Rosen said his resignation was "already planned" and "unrelated" to the accident, according to the N&O.

Rosen posted a video on his TikTok account in which he announced he was quitting his job. "Come with me to quit my state government job working as a communications specialist for an elected official who just got charged with a misdemeanor hit-and-run," Rosen said.

Reports say that damages to the state-owned Toyota are estimated to be well over $7,000, and the state Department of Administration temporarily suspended Wood's vehicle assignment for the time being.

Wood did not show up for her initial hearing on Jan. 26 in administrative court. Smith, her attorney, appeared instead before a magistrate.

He told the magistrate that Wood had waived a reading of the charges against her.

The magistrate set a new hearing date of March 23 at 2 p.m.

Stein takes early leap into the governor race with shot at Robinson

BY THERESA OPEKA

North Carolina Attorney General Josh Stein officially kicked off the state's 2024 race for governor on Jan. 18 by tweeting out a video that takes aim squarely at N.C.'s current lieutenant governor, and possible opponent, Mark Robinson.

Stein hopes to succeed fellow Democrat Roy Cooper. After two consecutive terms, Cooper will be ineligible to seek re-election. If Stein were to win, he would follow the same trajectory as Cooper, who was attorney general for seventeen years before assuming the governor's office.

Cooper has so far declined to endorse Stein or anyone else for the governor's race but did release the following statement:

"Josh Stein has worked to battle the opioid crisis and protect consumers and he's been an excellent attorney general for North Carolina. I have two years left in my term and right now, I'm focused on getting things done for the people of this state."

Democrat campaign consultant Brad Crone, president of Campaign Connections, told Carolina Journal in a phone interview that Stein's announcement wasn't surprising.

"Josh is getting out early hoping to avoid any type of primary situation whether it comes from his left or whether it comes from the African American base voters," Crone told CJ. "He's a very well-respected litigator and attorney. Josh has an impeccable resume, and now his challenge is to go out and sell himself to the people of North Carolina on why he would be a better governor than (Lt. Gov.) Mark Robinson."

TWITTER

N.C. Attorney General Josh Stein tweeted a video that takes aim squarely at Lt. Gov. Mark Robinson.

The lieutenant governor, who appears to be the lead Republican candidate for governor, was a target in Stein's initial campaign ad where he calls Robinson and his supporters "..a different set of bomb throwers" that "threaten our freedoms and our future." Stein's ad shows footage of the U.S. Capitol on Jan. 6, 2021.

"While some politicians spark division, ignite hate, and fan the flames of bigotry. Robinson wants to tell you whom you can marry, when you'll be pregnant, and whom you should hate," Stein says in the ad.

Stein's announcement is early compared to past gubernatorial races, as noted by Western Carolina University professor Chris Cooper. He points out that relatively recent candidates, including Pat McCrory, Roy Cooper, and Bev Purdue, kept their powder dry until the fall before the election year.

Stein was born in Washington, D.C. His family initially moved to Charlotte before settling in Chapel Hill. He worked as a campaign manager and deputy chief of staff for Senator John Edwards from 1997-2000. He later became a state senator for District 16 from 2009-2016 before becoming attorney general in 2017.

Although Stein would appear to be the heir apparent to Cooper, polling released in December shows voters aren't so sure.

The left-wing non-profit Carolina Forward released early polling in late November that showed Stein leading with 22% of Democrat primary voters favoring him, followed by former secretary of N.C. Department of Health and Human Services Mandy Cohen second (18%), and newly elected U.S. Congressman Jeff Jackson trailing not far behind (12%). Another 39%, however, were undecided, and 9% had another candidate in mind.

"It should be clear that Stein is scared of a primary," said Conrad Pogorzelski, political advisor, president of Conservative Connections, and former chief of staff for Robinson. "He won his last election by less than 15,000 votes out of the more than 5 million cast. He is hoping that by creating the narrative that it is him against Robinson, he can avoid a primary against Joan Higginbotham or Michael Regan."

Among Republicans, Robinson had 54% of respondents in the poll supporting him, particularly in rural areas of the state, as opposed to U.S. Sen. Thom Tillis (20%) and Treasurer Dale Folwell (4%).

"Folwell keeps talking about it, so there could be a primary there," Crone said. "I don't see any Republican candidate at this point in time being able to defeat Mark Robinson. He has such a strong lock on his base vote with conservatives, extreme conservatives, and Christian nationalists that I just don't see anybody being able to break that grip."

Folwell appeared on "Good Morning BT" on Charlotte's WBT Radio in mid-January to discuss the State Health Plan. He said he has had concerns with Stein's actions as attorney general.

"I've had concerns with the attorney general and not representing us at the treasurer's office, and those concerns were true yesterday, they're true today, and especially tomorrow as it relates to the cartelization of healthcare," Folwell told hosts Bo Thompson and Beth Troutman. "That's only one fingerprint on the consolidation of healthcare in the hands of fewer and fewer powerful people. Secondly, I think people are stepping back and asking themselves, why do you have to go out and raise millions and millions of dollars for a job that pays $140,000 a year? What are those people expecting for that money?"

Folwell was alluding to reports that Stein has raised more than $5 million and has nearly $4 million cash on hand (as of mid-January) for his run for governor.

"My name is out there, all over the state about running for governor and you know, just like everybody else, there'll be an announcement at the appropriate time," Folwell told WBT. "But the main thing is a person shouldn't apply for a different job when they haven't done their current one."

NC Medical Board audit raises patient safety concerns

BY THERESA OPEKA

A performance audit released on Jan. 12 by State Auditor Beth Wood's office regarding the North Carolina Medical Board raised concerns for patient safety across the state.

Auditors were denied access by the board to the investigative records and supporting documentation necessary to obtain evidence to perform an audit from July 1, 2019, through June 30, 2021.

They couldn't determine whether NCMB's investigations were completed in accordance with state law, board policies, and regulatory best practices.

As a result, Wood's office says legislators and the public do not know how well the board's investigative process protected North Carolinians from harm, such as malpractice, and inappropriate behavior, such as sexual assault.

"We were absolutely prohibited from being able to tell the General Assembly and the governor and the public that doctors who are a threat to the citizens of North Carolina and the people they serve and take care of that there is no way to tell if those who are a threat are being adequately investigated and disciplined," Wood told Carolina Journal.

The audit's objective was to answer questions like if the board reviewed all complaints it received against physicians, physician assistants, and other medical providers to determine if they warranted further investigation.

Did the board complete investigations of medical providers it received complaints against within the six-month timeframe required by state law?

And did they report all of its public actions on the board website and do so in a timely manner?

Auditors could not test all 4,432 board investigations that occurred during the period.

This occurred because the board denied auditors access to its investigative database, ThoughtSpan, citing state law, which states that all information related to board investigations is to remain confidential and not subject to release except in limited circumstances.

Wood's office stated that this is untrue and cited state law, N.C.G.S. § 147-64.7(a)(1), which says the auditor's office shall have access to persons and may examine and copy all books, records, reports, vouchers, correspondence, files, personnel files, investments, and any other documentation of any state agency.

Auditors also found examples of providers licensed to practice in North Carolina who were disciplined by other state medical boards.

The law also says the information obtained and used by the Office of the State Auditor during an audit is confidential, which would have included the information requested by OSA for this audit.

The board did, however, discuss with auditors the possibility of providing access to ThoughtSpan if auditors acted as the board's consultant.

Wood said entering into a consulting agreement such as this would have violated auditor independence as required by professional auditing standards and state law.

Instead, the board provided heavily redacted documents in response to auditor requests, including the name, license number, and contact information of the medical provider, investigation case number, and all medical records and interview notes used by the board during its investigations.

Auditors were, however, able to perform limited audit procedures on board investigations that resulted in public actions.

They tested the timeliness of 85 of 218 (39%) board investigations.

Auditors found that the board did not complete 25 of the 85 (29%) investigations within six months as required by state law.

They also found that the board did not monitor and enforce all disciplinary actions it imposed on medical providers.

As a result, there was an increased risk that medical providers whose actions threatened patient safety could continue serving patients.

In one example, the board prohibited Provider A from treating patients after finding evidence that his treatment of two pregnant patients "failed to conform to the standards of acceptable and prevailing medical practice." One patient and her newborn were subsequently hospitalized with multiple complications.

Additionally, Provider A admitted he had failed to conform to previous license limitations from 2015.

Auditors determined that as of June 2022, Provider A continued to maintain a website advertising his medical practice, including a recent patient testimonial and an active phone number.

Auditors also found examples of providers licensed to practice in North Carolina who were disciplined by other state medical boards.

The North Carolina Medical Practice Act grants the board the power to discipline providers who were disciplined in other states to help protect North Carolinians, known as reciprocal actions. However, the board delayed or took no reciprocal public actions against these providers.

This isn't the first time there have been issues with an audit of the board.

A February 2021 audit found that several providers continued to serve Medicaid beneficiaries and receive payment from the state despite adverse actions from the board, such as license suspensions or revocations, that should have prevented them from doing so.

Wood's recommendations for the board include allowing the Office of the State Auditor unrestricted access to all records and supporting documentation necessary to conduct an audit in accordance with state law and professional auditing standards.

Also, the North Carolina General Assembly should consider inserting clarifying language or specifically exempting the Office of the State Auditor from state law that restricts access to medical board records.

In addition, the board should complete all investigations of medical providers within the six-month timeframe required by state law, and it should monitor and enforce disciplinary actions against medical providers for the maximum protection of public health and safety.

David Henderson, NCMB chief executive officer, responded to the audit by saying the board disagreed with several findings.

"Our organization is concerned that some of OSA's findings and recommendations misstate the requirements of state law and, as such, find fault with NCMB for complying with its statutory obligations," he said.

Wood's office said that NCMB "made numerous inaccurate and potentially misleading statements" in the response, including OSA's request for changes to the law to allow access to NCMB records ignores federal law that otherwise prohibits OSA's access to private health information. The auditor's office says it's not true and that they are allowed access to private health information during their audits on a regular basis.

NCMB also said the auditor's office mistakenly states that N.C. law requires investigations to conclude within six months, which Wood's office says is true unless a written explanation is provided for why a longer investigation is needed.

"If you are the protector of the health and safety as the medical board, you would want to get these done in six months or less, so to interpret it that we can take as long as we want?" Wood told Carolina Journal. "No, that is not the way the law reads, and that is not the spirit of the law. But again, it's them spinning things because they've pretty much been caught with their pants down."

Henderson's response also said the board would explore hiring an independent firm to perform its own audit.

If the NCMB doesn't grant full access, even if the General Assembly clarifies the law that gives the auditor's office access, Wood said she would subpoena the information and go to court.

If the public is concerned about the report, Wood urged people to contact their legislators and ask them to look at clarifying the law.

House rule change could impact whether legislature can override vetoes

BY CJ STAFF

Gov. Roy Cooper spoke out recently against a move by N.C. House Republicans that would amend a rule regarding overriding governor vetoes. Previously, to override a veto, legislators needed to wait "until the second legislative day following notice of its placement on the calendar," creating a minimum of 48 hours before House members could vote on an override. Newly adopted House Resolution 1 does not contain the rule.

State lawmakers returned to Raleigh in January for the new legislative session, where they took their oaths of office and laid out temporary rules for the session.

In the N.C. House, Republicans now hold 71 out of 120 seats, one seat shy of a veto-proof supermajority. It would take 72 out of 120 votes, or three-fifths, to override a veto from Cooper.

During his time in office, Cooper has vetoed more bills than all previous N.C. governors combined.

CJ FILE PHOTO

Gov. Roy Cooper opposes a rule change that could affect his vetoes.

"Not letting the public know when veto override votes will occur slaps democracy in the face and deceives citizen legislators who have overlapping work, family, and constituent responsibilities they could change if they had proper notice," Cooper said in a statement. "It's a shame that House Republican leaders believe they can only override a veto through deception, surprise, and trickery."

"Members are elected to serve and be present for all legislative business," Rep. Destin Hall, R-Caldwell, who chairs the House Rules Committee, said in response to Cooper's statement. "All members receive ample notice for votes whenever they are planned. We will pursue the will of the majority regardless of the governor's opinions."

Under the new rule, Democrats would need to be careful about skipping voting sessions if they want to uphold Cooper's vetoes. If even one Democrat votes with the Republicans, or if two don't show up, Republicans would be able to override.

On the floor of the House, Hall implied these changes to the rules might be temporary. Hall said he and Minority Leader Robert Reives, D-Chatham, had spoken about passing a permanent rules package in February.

"A debate on our rules package will come potentially at some point. But today is not that day. Today is a day for celebration," Hall said, referring to the swearing-in ceremonies for newly-elected members.

Reives told reporters that the rule change "holds people hostage" and reflects poorly on the state, according to WRAL.

However, Reives agreed with Hall that the rules debate could wait. "As much as I'd love to regale you with the opposition that I have, I won't do that. But we do look forward to having that debate," he said.

House Speaker Tim Moore, R-Cleveland, said "ambush" votes are "not something we're looking at."

Moore alluded that Republicans do not need to overcome many votes in a veto-override situation. "Before we put an override vote on the floor, we're gonna know we have the votes," Moore said.

Some issues that may require overriding Cooper's veto this year include voter ID, new abortion laws, sports betting, school choice, and Second Amendment legislation.

"Despite Speaker Moore's bad-faith attempts to bend the rules to consolidate his own power, North Carolina Democrats are prepared to stand up to bad Republican bills and uphold Governor Cooper's veto," said current Democratic party chairwoman and former state Rep. Bobbie Richardson.

Truitt announces updates to Operation Polaris

BY DAVID BASS

North Carolina Superintendent of Public Instruction Catherine Truitt has released an update on Operation Polaris, a four-year plan for strengthening student outcomes across the state.

Operation Polaris was initially released in September 2021. The "north star" of the plan is that "every student deserves a highly qualified, excellent teacher in every classroom." In an update announced Jan. 10, Truitt outlined accomplishments and revisions to the plan.

A key update centers on progress around literacy instruction. A core part of Operation Polaris is to "equip all pre-K through fifth-grade teachers, literacy coaches, and administrators with early literacy instruction methods grounded in the body of research known as the 'science of reading' to ensure all children are reading to learn before the fourth grade," according to the report.

North Carolina Superintendent of Public Instruction Catherine Truitt updates her student outcomes plan.

Based off legislation approved by the General Assembly in 2021 and using both state and federal COVID relief funds, the N.C. Department of Public Instruction has overseen the training of more than 44,000 kindergarten through fifth-grade educators across the state in the Language Essentials for Teachers of Reading and Spelling — or LETRS — professional learning curriculum.

Accountability and testing are also emphasized with a focus on "preparedness for the workforce, higher education, and robust civic participation" among students. Another focus is to remedy pandemic-related learning loss — to "develop and curate programs, policies, and interventions related to learning recovery to provide a menu of solutions for districts and schools."

"Operation Polaris continues to serve as a long-term, proactive and forward-thinking vision for education in the state and one that evolves to fit the challenges and changes facing the state's public schools," said Truitt in a statement. "Many initiatives outlined in the first iteration of Operation Polaris are well underway, and others, such as strengthening literacy and workforce development, have been enhanced or added as our work to date has led us to new solutions."

> **Many initiatives outlined in the first iteration of Operation Polaris are well underway, and others, such as strengthening literacy and workforce development, have been enhanced or added as our work to date has led us to new solutions.**
>
> - Catherine Truitt
> N.C. Superintendent of Public Education

"There is still much work to be done," Truitt added, "but Operation Polaris is helping us chart a steady course to continued improvement of North Carolina's schools and to improved outcomes for all students."

Lawmakers set to address K-12 public education reforms in new session

BY DAVID BASS

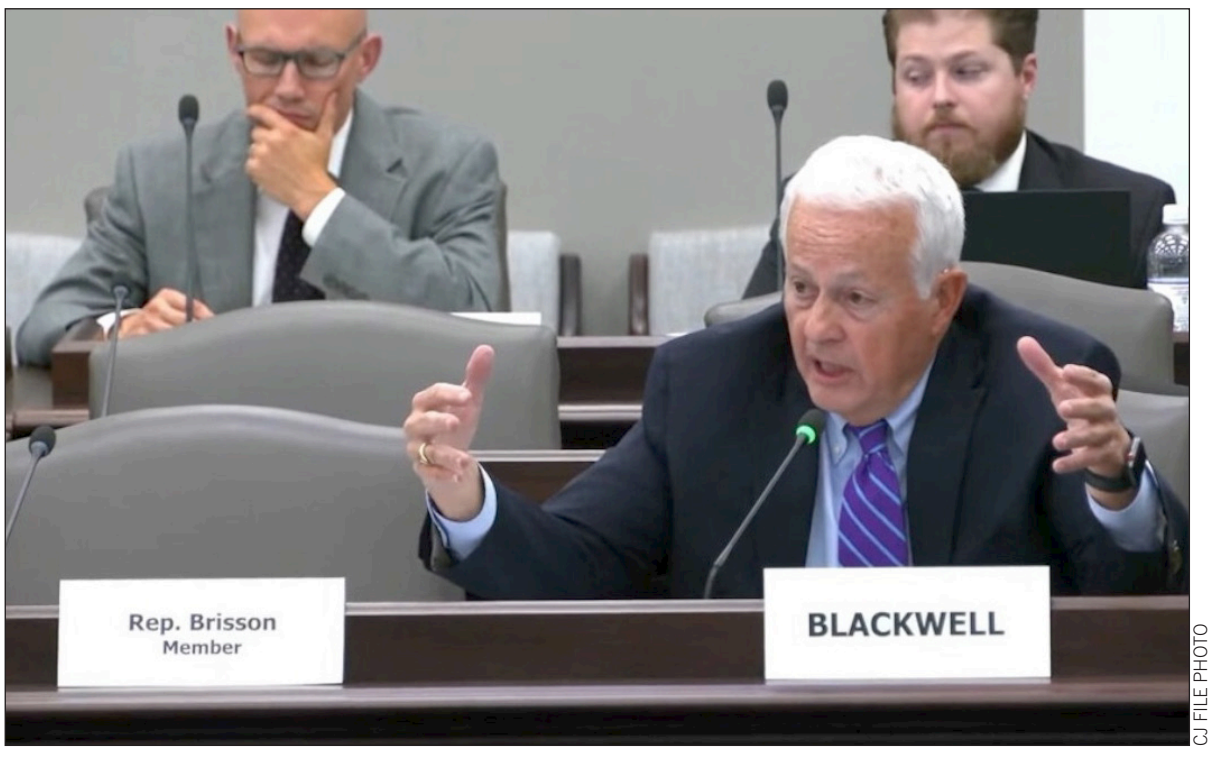
Big changes could be in store for K-12 education across North Carolina as lawmakers convene for the 2023 session of the General Assembly.

Republican leadership in both chambers of the legislature has signaled a focus on such priorities as reversing pandemic-induced learning loss, expanding the menu of educational choices available to parents, raising teacher pay, and boosting parental rights in education.

"Parents across North Carolina want a greater say in their child's education — from being involved and knowledgeable about the curriculum, to the opportunity to send their child to a school that fits that child's educational needs," said Senate leader Phil Berger, R-Rockingham, in his opening-day remarks Jan. 11. "Our schools must be focused on serving students and parents."

Rep. Jon Hardister, R-Guilford, chair of the House Appropriations Committee for Education in the new session, told Carolina Journal that lawmakers' primary goal "is to ensure that children are getting caught up after learning loss due to school closures."

"Promoting career and technical education in secondary education will be a major focus as we encourage students to consider multiple career pathways. Increasing teacher compensation, enhancing school safety measures, and expanding mental health services for students will be a top priority," Hardister added.



CJ FILE PHOTO

Rep. Hugh Blackwell, R-Burke has filed a proposed state constitutional amendment that would make members of the N.C. Board of Education elected rather than appointed.

In a phone interview with CJ, Rep. Hugh Blackwell, R-Burke, chair of the House K-12 Education Committee, listed a number of priorities.

Those include raising teacher pay, strengthening the principal preparation program, passing a constitutional amendment to make the state superintendent of public instruction head of the N.C. State Board of Education, raising literacy proficiency in the upper grade levels, and creating innovative new ways to hire tutors for students left behind by pandemic-era classroom closures.

Meanwhile, Democrats have said they will make fully funding the Leandro plan — to the tune of $5.6 billion — their top priority as the minority party. Berger alluded to the school funding dispute in his opening-day remarks, saying, "Success in education policy is about more than hitting some arbitrary funding goal. This isn't a partisan issue. We must come together to ensure that our students can read and have the opportunity for a quality education."

Reversing learning loss

Recent test scores, including the results of the National Assessment of Education Progress, show that students continue to struggle with learning loss. One step lawmakers could take to reverse that trend is by encouraging local N.C. school districts to allocate unspent COVID-19 relief dollars earmarked to remedy learning loss.

"North Carolina has received over $6.2 billion in federal COVID relief funding," noted Robert Luebke, director of the Center for Effective Education at the John Locke Foundation. "To date, our schools have spent about $3.8 billion on COVID relief, while about $2.4 billion of those funds remains unspent."

About $1.7 billion of school spending — or about 47% of all spending so far — has gone toward salaries. About $967 million of that amount was paid in bonus pay.

Department of Public Instruction data show that local education agencies have spent only about $31 million — less than 1% of all COVID funds spent statewide so far — on "tutorial pay."

Luebke suggested devoting additional dollars to specialized tutoring as a viable pathway forward.

Parents' Bill of Rights

Another objective likely to resurface this session is passing a Parents' Bill of Rights, which supporters say is needed to protect children and ensure that parents

continued PAGE 12

New NC Supreme Court could rehear redistricting, voter ID cases

BY MITCH KOKAI

The new Republican-led N.C. Supreme Court has an early opportunity to reverse major party-line rulings handed down in the old court's closing days.

GOP legislative leaders have asked the state's highest court to rehear cases involving election maps and voter ID. At press time, the court had not announced whether it would grant lawmakers' request.

Separate petitions filed Jan. 20 asked the Supreme Court to reconsider both the Harper v. Hall and Holmes v. Moore cases. That date was the last possible opportunity for lawmakers to request a rehearing under court rules.

The old court handed down 4-3 party-line decisions in both cases on Dec. 16. The high court's Democrats outvoted Republican colleagues in Harper to throw out the state Senate election map. In the Holmes case, Democratic justices ruled the state's 2018 photo voter identification law unconstitutional.

Little more than two weeks after those decisions, Democratic Justices Robin Hudson and Sam "Jimmy" Ervin IV left the bench. Republicans had swept November's statewide judicial elections, and new Justices Trey Allen and Richard Dietz joined the Supreme Court on Jan. 1.

In the new year, the state Supreme Court's partisan split changed from 4-3 in favor of Democrats to 5-2 in favor of Republicans. Rehearings could lead to reversals of the court's December rulings.

"The Constitution of North Carolina vests redistricting authority with 'the General Assembly,'" wrote Phillip Strach, an attorney representing Republican legislative leaders in Harper v. Hall.

CJ FILE PHOTO

N.C. Supreme Court Associate Justice Richard Dietz takes his oath of office on Jan. 1.

"[T]his Court in 2015 concluded that so-called 'political' or 'partisan' gerrymandering claims are 'not based upon a justiciable standard[.]' The U.S. Supreme Court reached the same conclusion under the federal Constitution four years later."

"In Harper v. Hall, a majority of this Court changed course, holding that political redistricting 'violate[s] every individual voter's fundamental right to vote on equal terms.' This was the least plausible case in State history to announce that rule," according to legislators' petition.

When the Supreme Court's four Democratic justices threw out state House, state Senate, and congressional maps in February 2022, a ruling called Harper I, they released an opinion "long in idealistic verbiage" but "short in concrete guidance" for lawmakers attempting to draw constitutionally acceptable maps, according to the petition.

December's decision in the case, Harper II, led to just one of three replacement, or remedial maps, surviving the court's scrutiny. That was a state House map that had won bipartisan support in the General Assembly.

The Democrat-dominated court rejected two other maps, for state Senate and Congress, despite lawmakers' attempts to apply the same court guidance to all three maps.

"That result is simply perplexing," Strach wrote. "Only the four members of the Harper II majority can or will know a gerrymander when they see it; everyone else must await their Delphic pronouncement."

"The Harper experiment has failed, and it is time for this Court to recognize that, correct its errors, and return to the Constitution and this State's traditional modes of interpretation," Strach wrote. "This rehearing Petition gives this Court a much needed opportunity to address the root of the problem: Harper I was based on profoundly flawed legal principles."

In the voter ID case, legislators also petition the state Supreme Court to reconsider its initial ruling. The court threw out a 2018 law based on Senate Bill 824.

"The majority's conclusion that the General Assembly enacted S.B. 824 to entrench Republicans by targeting African Americans is without foundation in competent evidence and constructed with legal error," wrote attorney Nicole Moss. "Most egregiously, the majority repeated the mistake of the trial court by failing to accord the General Assembly the presumption of good faith."

> **The Harper experiment has failed, and it is time for this Court to recognize that, correct its errors, and return to the Constitution and this State's traditional modes of interpretation.**
>
> - Phillip Strach
> Attorney

Supreme Court Democrats instead linked the 2018 law to an earlier voter ID law struck down by a federal Appeals Court, Moss wrote.

That decision, "like an anchor around the neck of the General Assembly, mak[es] it all but impossible for it to enact a photo voter ID law that would pass constitutional muster. If Holmes is left uncorrected, … the General Assembly will be hamstrung in its constitutionally required obligations going forward from a fundamentally flawed decision."

State lawmakers already plan to redraw the congressional election map for 2024. A rehearing could determine whether the legislature will redraw other maps.

The N.C. Constitution requires voter ID, though that provision is the subject of a separate legal challenge in N.C. NAACP v. Moore. If the constitutional voter ID requirement stands, lawmakers would need to prevail in a Holmes v. Moore rehearing or approve a new voter ID law.

Blue Cross Blue Shield ousted from State Health Plan

BY THERESA OPEKA

After more than 40 years, Blue Cross and Blue Shield of North Carolina will no longer be the third-party administrator for the State Health Plan come Jan. 1, 2025. State Treasurer Dale Folwell announced on Jan. 4 in a press release that Aetna has been awarded the Third-Party Administrative (TPA) Services Contract for the Health Plan. They beat out BCBSNC and UMR, a health insurance company based in Wisconsin.

"Partnering with Aetna, which already employs over 10,000 people in North Carolina, will create a lot of new opportunities for the Plan and the members we serve," Folwell said in the press release. "A change of this magnitude is a great opportunity for a fresh perspective, and we look forward to working closely with Aetna to create new ways to provide price transparency, increase access and quality while lowering the cost of health care for those who teach, protect and serve, and taxpayers like them."

CJ FILE PHOTO

Aetna is awarded the TPA Services Contract for the State health Plan.

Folwell told Carolina Journal in a phone interview that potential contractors were asked to bid based on the same set of rules, and considerations included cost-saving and technical requirements to keep the SHP solvent.

"We have no choice but to drive transparency, higher quality, higher access, and lower cost into our state health plan," he said.

Folwell said the selection followed a Request for Proposals, a competitive bid process in which the Plan solicited and selected industry-leading partners who reported exceptional customer service, technological resources, and professional support. The services under the contract include processing claims and offering a comprehensive network of healthcare providers.

In a press release, the Treasurer's office characterized the deal with Aetna as a "partnership that focuses on transparency and lower costs." The press release also said there are potential administrative cost savings of $140 million over the life of the five-year contract.

UMR and BCBSNC protested the decision, with BCBSNC saying that the proposal evaluations were based on "arbitrary criteria and a distorted scoring system." BCBSNC's objections to the award centered on changes to the evaluation criteria since the 2019 RFP cycle. According to the submission, cost criteria changed from a 10,000-point scale to a 10-point scale. For the 310 technical questions in the RFP, answers could only be "yes/no." According to the protest, bidders were not allowed to submit narrative answers in 2022, as they were in 2019.

"The Plan took a complex decision — selecting the third-party administrator for a health plan that covers hundreds of thousands of North Carolinians — and tried to turn it into a checklist. That approach ignored critical issues that will affect the welfare of the State and the welfare of the Plan's members," BCBSNC wrote in the protest.

BCBSNC also took issue with Folwell's description of the third-party administrator contract as a "back-office" role.

"The Plan's third-party administration is not a back-office function. Instead, the third-party administrator has responsibilities that play a central role in defining member benefits. The administrator must also deliver a provider

continued PAGE 12

Rolling blackouts...

continued from PAGE 1

spokesman said that during the energy shortfall, "solar generation performed as expected but was not available to meet the peak demand since the peak occurred before sunrise." According to energy policy expert Jon Sanders of the Center for Food, Power, and Life at the John Locke Foundation, the failures highlight our power grid's capacity crisis.

"If it were cloudy, or if the cold snap had been followed with a snow event, we'd have gotten nothing from solar at all," Sanders said. "Even so, it still would have been accurate to say, 'solar performed as expected.' Because no one would expect solar to produce overnight or in cloudy or inclement weather, which is what we take for granted from nuclear, natural gas, and coal."

"Normalizing" rolling blackouts

During the blackouts and the days that followed, Duke Energy thanked consumers for conservation efforts and warned them that it could happen again. However, weather conditions at that time were not unusual. It was colder than usual, but there was no blizzard or hurricane. The incident highlighted a messaging strategy in a Cooper opinion editorial that said renewable energy performed "as expected" during "rotating outages." The strategy appears to attempt a normalization of blackouts as environmental groups push to replace the existing power generation infrastructure with renewable, yet intermittent, forms of energy generation.

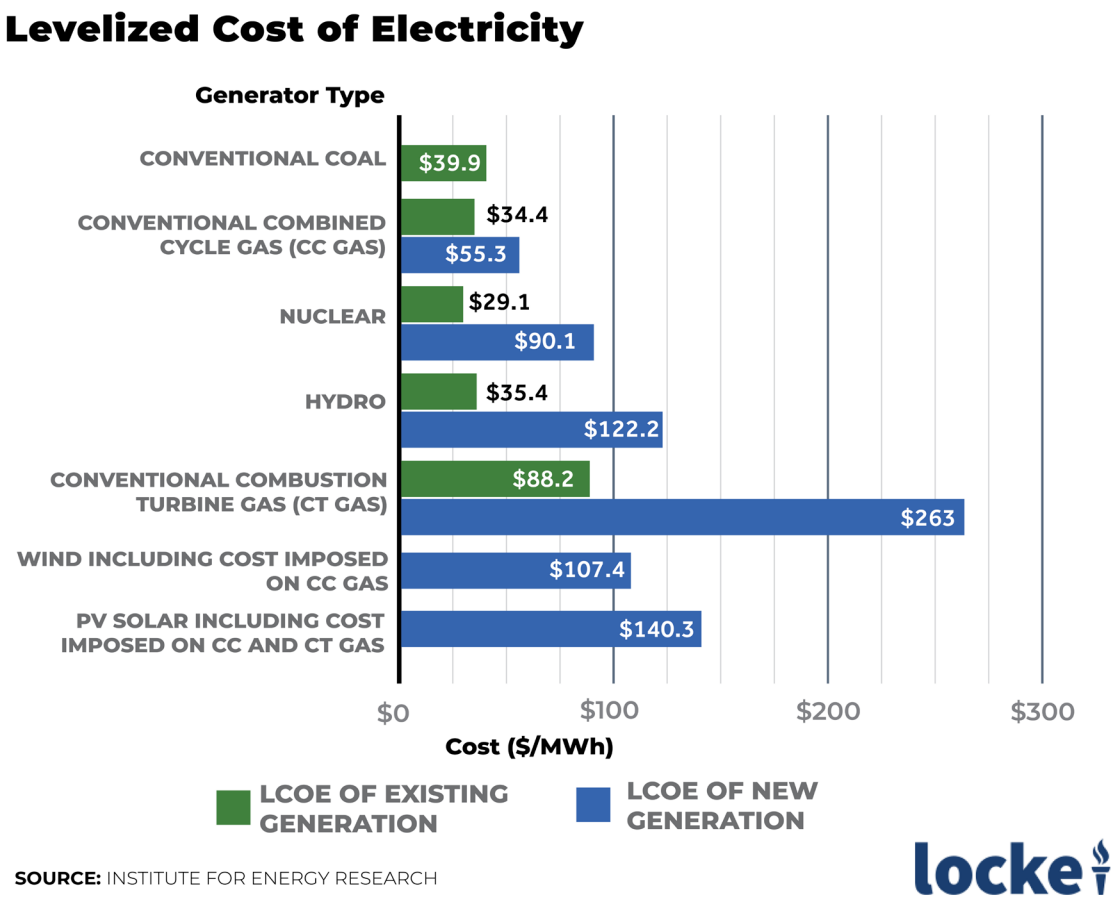
"To be very clear: Rolling blackouts are not now, nor have they been, normal in the U.S.," said Sanders. "Electric customers would be incensed, given their current expectation of power at the flip of a switch. There are only two ways to go: Change the plan to destabilize the grid with politically favored renewables or try to change people's idea of normal grid operations."

Without the backup sources in place, Sanders says North Carolina could find itself in the same predicament created by California Gov. Gavin Newsom's plan to transition the state toward renewable energy sources and scale back natural gas. Under Newsom's leadership, the state built wind and solar plants without more dispatchable backup energy. The shortfalls have normalized rolling blackouts for millions of Californians.

"Cooper's energy plan, heavy promotion of unreliable energy sources, opposition to building new natural gas pipelines even though solar and wind facilities need natural gas for backup generation, and opposition to nuclear power threaten to make California-style rolling blackouts a Carolina reality," Sanders wrote in the John Locke Foundation's Policy Solutions manual.

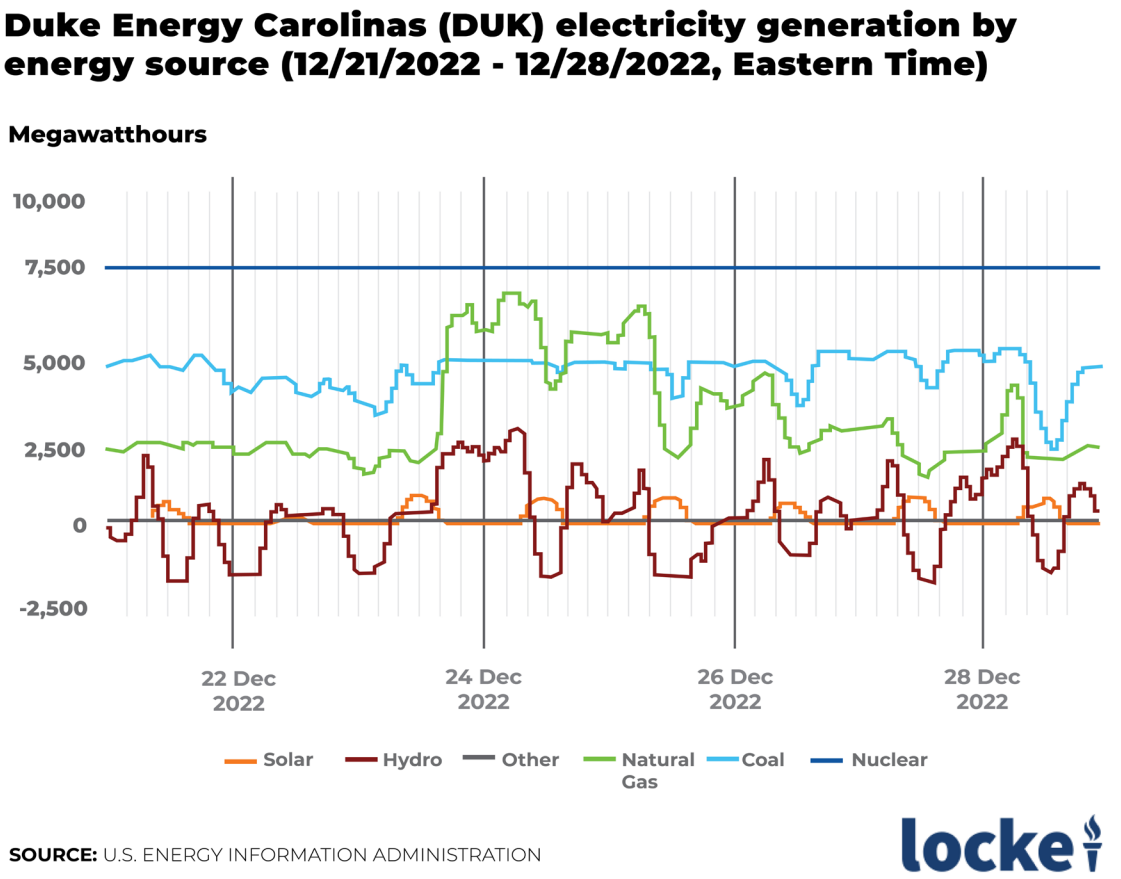
The carbon plans

December's rolling blackouts could be a wake-up call for lawmakers and utility experts who are in the midst of planning for the long-term reliability of North Carolina's electrical grid.



SOURCE: INSTITUTE FOR ENERGY RESEARCH

locke



SOURCE: U.S. ENERGY INFORMATION ADMINISTRATION

locke

The legislation House Bill 951, passed by the N.C. General Assembly in 2021, implements Cooper's executive order that requires the state's carbon emissions to be 70% below 2005 levels by 2030 and net zero carbon output by 2050. H.B. 951 directs the North Carolina Utilities Commission to come up with a Carbon Plan to meet those goals but also requires that the plan use "reasonable" and "least-cost" methods that would "maintain and improve upon the reliability of the grid." The order provides a two-year window for adding nuclear or offshore wind because those sources take longer to get permitting.

With the final Carbon Plan in development, December's blackouts provided a real-life litmus test for grid reliability and all its energy generation sources, If policy makers are willing to accept the results.

Just hours before their statutorily required deadline on Dec. 30, 2022, and days after the blackouts, the N.C. Utilities Commission released its proposed Carbon Plan to address H.B. 951. Despite the low-profile holiday release, the plan was met with resounding criticism from both sides of the clean energy debate, who said it was neither "reasonable" nor "lowest cost."

At the heart of the NCUC plan is retiring all coal-fired power plants by 2035. These plants generate more than 9,000 megawatts. To replace the energy generation of those plants, the plan includes building more renewable sources to maintain output, plus the backup sources for those solar and wind systems. But if the plan is to be compliant with the law, it would not meet the "least-cost" criteria.

According to the Institute for Energy Research, the levelized cost of energy for existing coal-fired power plants is less than half that of new solar and wind facilities, plus their required backup generation. In their report, existing coal-fired power plants can generate electricity at an average LCOE of $41 per megawatt-hour, gas power plants can generate electricity at an average LCOE of $36 per MWh, new wind resources are $90 per MWh, and new solar resources are $88.7 per MWh.

"Households could pay $400-500 a year more for the same amount of electricity they were already getting, and the increases in commercial and industrial bills would be much higher," said Sanders.

The NCUC plan reflected large parts of the four carbon plans Duke Energy offered in October for the NCUC to consider. Sanders says none of Duke Energy's proposed portfolios would actually meet the law because they rely too much on renewables and do not invest in zero-emissions nuclear and low-emissions natural gas.

Environmental activists aren't happy with Duke's carbon plans either, saying they don't go far enough with renewables.

"What Duke calls its Carbon Plan is really an antiquated 20th-century dirty energy plan which will limit the amount of solar that can be installed in N.C., cost ratepayers far more than necessary, preserve Duke's corrupt monopoly, wed N.C. to expensive fracked gas for decades to come, and violate N.C. law," said Steve Norris of the N.C. Alliance to Protect our People and the Places We Live, in a statement. "The N.C. Utilities Commission has a moral and statutory responsibility to reject Duke's plan, and require Duke to take full advantage of solar, wind, and battery storage resources with a just transition to renewables that is accessible and affordable for all."

In a filing to the Utilities Commission over the summer, Sanders and Center of the American Experiment analysts Isaac Orr and Mitch Rolling proposed making greater use of nuclear power to provide both clean and reliable electricity to our growing state's households and businesses.

Although this plan would require delaying the 2032 goal, it would achieve the 2050 goal, including a phase-out of coal and natural gas.

Can we pay for it?

The debate over tomorrow's energy infrastructure comes as costs are skyrocketing for North Carolinians today. According to the Bureau of Labor Statistics, energy prices in the U.S. have risen 13.1% over the last 12 months.

The price increases are expected to continue, with the National Energy Assistance Directors Association forecasting that the average cost to heat a household will increase by 17.2% this winter.

Further complicating the issue, on Dec. 3, 2022, a Moore County substation was the target of vandalism that plunged the Sandhills region of the state into darkness during the peak holiday shopping season. More than 4,000 homes and businesses were without power for almost five days.

Federal and state investigators have not made arrests in the attack, but it did raise important questions on not just the reliability of the state's power grid but its security from sabotage.

Warning of such a threat arose nearly a decade ago in a federal Energy Regulatory Commission report that found a coordinated attack on nine of the nation's 55,000 electric transmission substations would create a nationwide blackout.

"In instances with physical damage to grid components, such as an event that damages many substations, it could take months or years to fully restore the equipment," a Government Accounting Office report warned in 2019. Today, there are no federal requirements for security at substations.

One of the first bills filed when the General Assembly gaveled in the long session in January was House Bill 21, from Rep. Ben Moss, R-Moore, which would require all utilities to install security systems at all substations.

"This is not isolated to North Carolina; this is a national issue, so we must take it very seriously. As we are waiting for any regulations coming from the federal government, I felt the need as a lawmaker, after watching what happened to the citizens I represent, we needed a starting point," Moss said. "Hopefully, we will be able to work with energy providers to make our energy grid more secure that it is at this time."

Follow the money...

continued from PAGE 1

dent expenditures from green energy groups for his gubernatorial elections in 2016 and 2020. Organizations such as the N.C. League of Conservation Voters, Environment America Action Fund, and the Conservation Voters PAC dropped roughly $2 million in the last few months of the 2016 election against then-Gov. Pat McCrory.

The green agenda coming from N.C. Democrats, led by Cooper, has manifested in not just his executive orders but an entire industry of public relations writers, think tanks, activists, and climate scientists who have set up shop across the state, where they find a friendly face in the executive mansion.

Environmental groups have invested well outside of campaign contributions and lobbying in order to establish favorable policies. We have seen major investments in special-interest groups and even so much as establishing grants for local newspapers to hire friendly reporters to cover environmental issues.

The most impactful of Cooper's climate-driven agenda is Executive Order 271, requiring the N.C. Utilities Commission to initiate a "swift transition to a clean energy economy by developing a Carbon Plan that would reduce carbon emissions by 70% from 2005 levels by 2030 and reach carbon neutrality by 2050." Other directives include the state government moving to electric vehicles and increasing the number of EVs sold here. The orders give the N.C. Utilities Commission and the N.C. Department of Environmental Quality an unprecedented to-do list and the power to shape the state's economic future.

The N.C. Utilities Commission is full of Cooper appointees, except one, who was appointed by former Democrat Gov. Bev Perdue and reappointed by Cooper.

The Commission's latest proposal, the Carbon Plan, was released on Dec. 30. It attempts to enact Cooper's executive order and a state law, House Bill 951, passed in 2021 by the legislature to put guardrails on the energy plan. The law requires that regulators use reliable and low-cost energy generation methods to achieve carbon reduction goals. According to energy policy experts, the Carbon Plan not only fails to meet the law; its basic math just doesn't work.

"The mandate in NCUC's Carbon Plan that accelerates retirement of 9,000 megawatts of baseload coal generation represents nearly 30% of Duke Energy's generation portfolio," said Amy Cooke, CEO of the John Locke Foundation and an energy policy expert. "In their proposal, NCUC ordered 2,350 megawatts of new solar generation that require expensive transmission and infrastructure upgrades to accommodate the intermittent resources.

CJ FILE PHOTO

Gov. Roy Cooper signs electric vehicle Executive Order.

That's on top of massive taxpayer-funded subsidies. Solar's biggest problem is that it has a 'maximum dependable capacity of 0 MW.' Translation: It's 100% unreliable. No worries. NCUC has us covered with a directive to build 1,600 megawatts of battery storage. Currently, Duke has two battery storage units, 18 megawatts in Florida and 5 megawatts in Indiana."

The NCUC Carbon Plan offers natural gas as "bridge" fuel until more wind, solar, and batteries can be developed and allows for 2,000 megawatts of new natural gas. Still, the current natural gas availability is all tapped. The infrastructure for more doesn't exist after climate activist groups flexed political muscle in shutting down the proposed 600-mile Atlantic Coast Pipeline in 2018.

During the fight over the ACP, Cooper negotiated control of a $57.8 million fund from a utility coalition building the pipeline. The Civitas Institute filed a state ethics complaint against Cooper, seeking an investigation into the fund and whether it amounted to a gift from the utilities in exchange for approval to build.

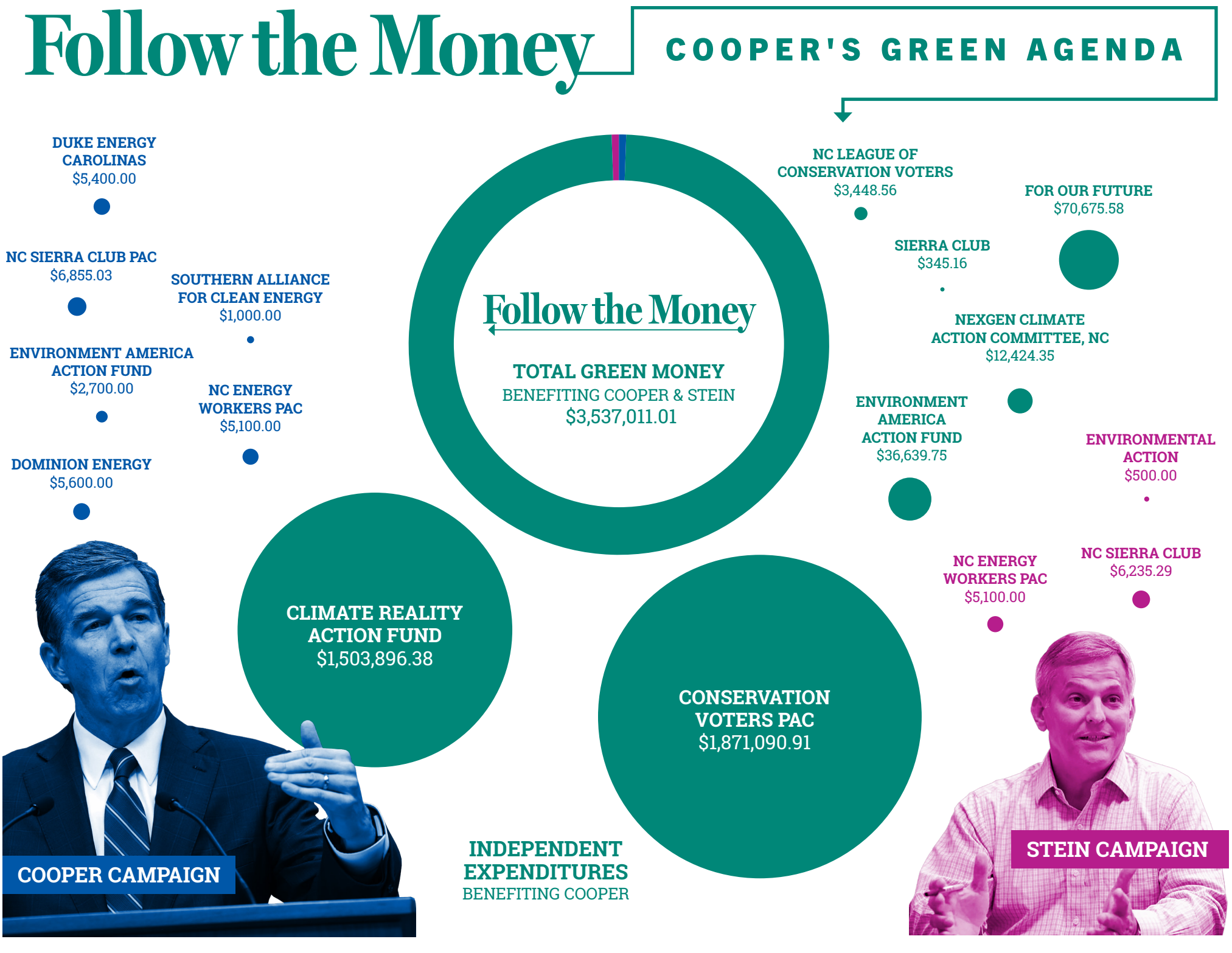
"Not only is there a question that these funds could be considered an illegal gift under the State Government Ethics Act's gift ban, but they might trickle into projects or accounts that benefit the governor and/or his political campaigns," said then-Civitas President Donald Bryson, who is now president of the John Locke Foundation

The N.C. State Board of Eleections dismissed the complaint without notifying the Civitas Institute. Cooper still took heat from the environmental left over the pipeline and the permits to build it until it was finally canceled.

"Agenda-driven environmentalists both inside and outside government have prevented necessary expansion," said Cooke, also noting that Duke Energy Progress customers pay nearly 20% more for electricity than Duke Energy Carolinas customers, because Progress comprises more solar generation and less nuclear than Carolinas.

Cooke has concerns about the numbers behind the Carbon Plan. "NCUC provides no fiscal analysis," she said. "We have no idea how much this will cost ratepayers. But Duke just requested the first big plan-induced rate hike. The NCUC blew its opportunity. It ignored ratepayer protection guardrails, gave a lifeline to intermittent solar, and punted on dispatchable, baseload generation."

Cooper is off the ballot in 2024 due to term limits. He has not endorsed a Democrat successor, but there is speculation that North Carolina's Michael Regan, current administrator of the U.S. Environmental Protection Agency, could come back to run in the state's gubernatorial primary. Regan previously served as secretary of the state's Department of Environmental Quality in Cooper's first term as governor. Putting a federal EPA leader in North Carolina's governor's mansion could cement Cooper's green agenda in N.C. policy for generations to come.



12 CONTINUED

Education reforms

continued from PAGE 8

know what their kids are being taught in public schools.

A measure passed the Senate in 2022 but was shelved in the House because the Republican majority was unable to secure enough support from Democrats to guarantee a successful veto override vote. But with a supermajority in the Senate and a working supermajority in the House, Republicans have a better shot at making a Parents' Bill of Rights a reality this year.

Polling has shown a majority of N.C. voters support the provisions in a Parents' Bill of Rights. A WRAL/Survey USA poll showed that 58% of adults support legislation that would ban instruction about sexual orientation or gender identity issues for students in kindergarten through third grade, with 45% strongly in favor.

A Civitas Poll put overall support for the Parents' Bill of Rights at 57%.

Constitutional changes

Blackwell has filed a proposed state constitutional amendment that would make members of the N.C. Board of Education elected rather than appointed. Membership on the board would expand to the 14 seats that correspond to North Carolina's number of congressional districts, and each member would be elected in their respective congressional district.

Additionally, the amendment would require that vacancies filled by the governor must be OK'ed by the legislature.

As it stands, the governor's appointments serve until the term of the person they replaced expires. The amendment would also make Superintendent of Public Instruction Catherine Truitt chair of the board.

The bottom line is that the amendment would substantially shift the political balance of power on the state's top educational governing body.

Blackwell said the amendment "is very critical to try to turn north Carolina's education system into a much better one."

Reading proficiency

In 2021, a bipartisan coalition of lawmakers passed the Excellent Public Schools Act, which created a statewide road map for switching literacy instruction from a "look and say" method to the phonetic method.

The focus was on increasing reading efficiency for K-3 students, and recent evidence presented to lawmakers suggests it has yielded immediate improvements, particularly for kindergarten students.

But Blackwell wants to see more reading proficiency instruction in middle and high school to catch students who missed out on earlier literacy instruction.

"Right now, we don't really have any plan for dealing with those deficiencies," Blackwell said.

"We are focused almost exclusively on early-grades reading, which doesn't help the kids that are already passed early grades, and it doesn't help the kids who may be in early grades now or in early grades to come who don't get to a proficiency level."

State Health Plan...

continued from PAGE 9

network with the strength, depth, and reach to offer high-quality, accessible health care to Plan members."

Despite the protests and appeals, on Jan. 20, the SHP announced that it had rejected protest appeals for the Third-Party Administrative Services (TPA) contract from BCBSNC and UMR.

State Treasurer Dale Folwell said in a press release that after finding that the assertions made by both losing bidders were without merit, the Plan's interim executive director, Sam Watts, notified both bidders that their appeals had been rejected. The release said that this concludes the protest process, and the Plan is moving forward under the new contract with Aetna.

"Responding to a Request for Proposal (RFP) is completely voluntary," said Watts. "Arguing that if the questions were asked in a different way or graded differently the outcome would have been different is not how procurement works."

Folwell stressed that BCBS has never set premiums or determined what benefits are covered, but the Plan's Board of Trustees has the authority to do that. Plans that are already in place will not be impacted. That includes premiums, copays, and deductibles.

"It's embarrassing to see entities trying to confuse our members by falsely advertising information regarding Plan benefits, which only leads to unnecessary member confusion," Folwell said.

"Blue Cross NC believes that its bid to the State Health Plan serves the best interests of the Plan's members," said Sara Lang, a spokesperson for BCBSNC, in an emailed response. "The Plan's response to Blue Cross NC's protest leaves too many unanswered questions about how this change will affect costs and access to care for state employees and teachers. We are disappointed that the Plan has refused to disclose any documents about its RFP process, despite our public records requests a month ago."

Lang said BCBSNC would continue to pursue efforts to ensure the best outcome for teachers, state employees, and North Carolina taxpayers.

In August, Folwell shared his concerns about healthcare costs going up, including the possibility that contracts will be renegotiated upward next year.

"I am very concerned that the State Health Plan is going to need $5 billion more incremental dollars over the next several years in order for it to remain solvent," he said. "This was part of the unfunded healthcare liability (that I have talked about for the past 12 years), and that is what we are facing right now."

In September of 2011, there were already concerns about the health of the State Health Plan after North Carolina State Auditor Beth Wood commented in a performance audit of the Plan. According to the audit obtained by C.J. from Folwell's office, Wood's statements said the Plan was at risk for overpaying claims.

"It must rely solely on BCBSNC auditors and information from the BCBSNC computer system to identify discount errors," Wood's statement read. "Because the Plan does not have access to contracts between BCBSNC and the medical providers, the Plan does not have a method for independently determining if an improper discount rate has been applied to a Plan member's claims."

Folwell has made pricing transparency and cost reduction in healthcare a centerpiece of his tenure as treasurer and, in recent months, has indicated his interest in running for governor in 2024. He has continued a battle with N.C. hospitals over profits from Medicare and COVID relief funds, using terms like "healthcare cartel" to describe the N.C. Healthcare Association. He's also pushed lawmakers to pass a Medical Debt De-Weaponization Act, which would limit interest rates and collections on medical debt.

The State Health Plan, a division of the Department of State Treasurer, provides health care coverage to nearly 740,000 teachers, state employees, retirees, current and former lawmakers, state university and community college personnel, and their dependents.

The three-year initial service period for the contract with Aetna begins Jan. 1, 2025, and continues through Dec. 31, 2027, with the option to renew for two one-year terms.

Plan members will start receiving more information regarding the changes in 2024 before open enrollment for the 2025 benefit year.

Parents' Bill of Rights

continued from PAGE 4

alized. Parents are standing up and reminding everyone of their right to control their child's education and their commitment to working alongside teachers and administrators to give their children the best possible education."

Dozens of other states have either passed or are considering legislation similar to North Carolina's Parents' Bill of Rights proposals.

Georgia lawmakers passed a measure stipulating that parents have the right to see the curriculum their children are learning.

The version of the bill in Florida has drawn the most national attention.

The legislation, dubbed the "Don't Say Gay" bill by its opponents, prohibits educators from teaching kindergarten through third-grade students about sexual orientation or gender identity. The measure includes numerous other protections for parents.

Democrats and teacher unions in other states have largely opposed legislation similar to North Carolina's Parents' Bill of Rights.

In Virginia, a delegate in the state house filed a bill called "Sage's Law," which would require schoolteachers and school staff to notify parents about their children's professed gender transitions.

The bill is named for an Appomattox teenager who was the victim of sex trafficking after her high school hid her transgender identity from her mother.

The Parents' Bill of Rights was passed by the Education Committee and sent to the Health Care and Rules committees.

The Committee on Rules and Operations of the Senate referred it back to the Committee on Health Care for further consideration.

Asheville water crisis

continued from PAGE 3

the city wasn't doing enough to repair and improve the system. The other is that a large portion of those served by the water system do not live in Asheville, so they can't vote to make changes to the city-run system.

"Around 40% of the users of the Asheville system do not live within the City of Asheville," McGrady said. "Therefore, if they have water problems, they really don't have anywhere to go. These municipal systems are not regulated in the same way that a private water company would be, so they don't have the option of voting out the mayor and council if they're not providing good water or enough water.

"Forty percent of those utility customers really have no recourse here when there are problems. I think that's a serious issue."

McGrady previously helped to craft 2013 legislation (House Bill 488) aimed at fixing the Asheville water system infrastructure, along with fellow Republicans: state Sen. Tim Moffitt, R-Henderson, who was a state House member at the time; and former Rep. Nathan Ramsey.

"Tim and I put forward legislation along with former Rep. Nathan Ramsey to take various pieces of water and sewer infrastructure and combine it into the Metropolitan Sewer district," McGrady said. "The goal was to repurpose it to be an independent authority and ensure that money was used wisely in terms of making investments in infrastructure."

C.J. reached out to Moffitt for his comments on the bill and current crisis, but he could not be reached in time for publication.

The legislation was ultimately ruled unconstitutional in 2016 by the majority-Democrat N.C. Supreme Court at the time, after a multiyear battle by the Asheville to maintain control of its system.

But now, more than six years later, McGrady and others who fought for an independent authority believe maintaining the status quo played a big part in the current crisis.

"The City of Asheville challenged the law which would have combined the city's water system, and the region's sewer system, with Henderson County's sewer system, to create a regional water and sewer system," McGrady said.

"The Supreme Court, in my opinion incorrectly, determined that that legislation was unconstitutional, so nothing happened. The consolidation did not go forward."

When asked whether the law could possibly be reinstated, McGrady said he doesn't believe it is feasible to do so even with a newly elected Republican majority on the state's highest court.

"I don't think it is easy to do that," he said. "Unlike with redistricting decisions or voter ID, where the legislature has weighed into the issue again, the legislature hasn't weighed into this issue again. One would have to make a whole new case for it."

Among the agenda topics covered during the city council meeting on Jan. 24, the council passed a motion naming residential water customer Michele Ashley; commercial water customer Carolyn Roy; communications professionals Mike McGill and Rob Brisley; and public water systems subject matter experts John McLaughlin, Ted Tyree, and Michael Holcombe to the independent review committee.

Two additional members will be appointed by Buncombe County.

The goals of the committee, according to Asheville City Manager Debra Campbell, are to "provide a comprehensive account of the water outage, assess the operational and emergency response and communication efforts, and recommend infrastructure and procedural enhancements."

In a statement provided to C.J., Campbell said she's optimistic that the city will be able to effectively handle any future issues with the water system and provide quality service to customers.

"While we deeply regret the interruption of service and inconvenience to our community members impacted by the recent water incident in the City of Asheville, the experience helped identify potential vulnerabilities in our water infrastructure and communication process in a crisis," she said.

"We as the City welcome the lessons learned as our top priority remains providing City of Asheville water resource customers with clean, safe and readily accessible water."

On the establishment of the review committee, McGrady believes it is a short-term solution that poses no long-term benefit.

"It won't do anything near term," he said. "I certainly don't have any problem with the idea that you have a committee to look at what happened and make recommendations going forward. It sounds like they learned a lot based on prior council meetings.

"There were serious communications issues here with the customers," McGrady said. "Ultimately, the solution to that is if you screw up, there should be consequences. That's why we were trying to help the 40% of residents who don't have any recourse."

THE CAROLINA JOURNAL

OPINION

‘Groundhog Day’ is more than a comedy classic

DAVID LARSON
OPINION EDITOR

IN MY ROLE at a politics-focused newspaper, there aren’t a lot of opportunities to play movie critic. But it’s Groundhog Day … again, and the 1993 movie bearing that name is among my favorites, so I’ll take the liberty just this once.

Or maybe it’s not such a departure from business as usual, as a quick glance around the internet shows that I’m not alone among conservative columnists in my love for the film. Jonah Goldberg, in a National Review cover story titled “A Movie for All Time,” says the Bill Murray movie will “almost undoubtedly join ‘It’s a Wonderful Life’ in the pantheon of America’s most uplifting, morally serious, enjoyable, and timeless movies.”

In 2018, free-market think tank the American Enterprise Institute hosted a watch party of the film. On the invitation, it states that “the film has long been a source of unexpected wisdom for AEI scholars,” adding a quote from Charles Murray, saying, “You could learn the same truths by studying Aristotle’s ‘Ethics’ carefully, but watching ‘Groundhog Day’ repeatedly is a lot more fun.” In a Wall Street Journal article laying out his “Advice for a Happy Life,” his top three tips were, “Consider marrying young. Be wary of grand passions. Watch ‘Groundhog Day’ (again).”

In Goldberg’s article on the movie, he talks about the hundreds of emails he’s received by pastors, professors, theologians,and various wise men and women telling him how the movie is their go-to for explaining certain facts of life to those forced to listen to them. He also details how at a “The Hidden God: Film and Faith” film series at New York’s Museum of Modern Art, so many of the 35 assembled gurus wanted to be the one to opine on “Groundhog Day” that a fierce struggle, or as fierce as monks and academics can muster, broke out.

> **'Groundhog Day' … features an unexplained spiritual intervention into the life of a flawed, stuck, struggling soul.**

Others, somehow, don’t see the brilliance and are even annoyed by the movie’s repetitious nature. It may just be one of those movies you either love or hate (or think is just OK, to paraphrase comedian Mitch Hedberg). So to explain to the haters and just-OK thinkers why this movie gets so much attention from certain corners, I’ll give a brief window into my own love for the film. Don’t worry; I won’t give a full summary, so you can go enjoy it for yourself.

Basically, “Groundhog Day,” in a way similar to “It’s a Wonderful Life” and “A Christmas Carol” before it, features an unexplained spiritual intervention into the life of a flawed, stuck, struggling soul. The movie more follows the Dickens line, though, in that the main character does not start out as a man of virtue, like George Bailey, but is still full of buried potential.

The protagonist, Bill Murray’s Phil Connors, is a weatherman for a news station in Pittsburgh who is sent to do a story he sees as far beneath his worth — the annual Groundhog Day festival in Punxsutawney. The town is podunk and full of nobodies; the festival surrounds some kitschy nonsense about whether a rodent will emerge in order to predict an early spring; and the assignment is just proof that the value of his

continued PAGE 19

Considering Aycock, public education, and control

DONALD BRYSON
JOHN LOCKE FOUNDATION

THE NORTH CAROLINA State Capitol is a beautiful Greek Revival-styled building whose construction was completed in 1840. It no longer houses the General Assembly and state Supreme Court, but 1 E. Edenton Street is still used as the office of North Carolina's governor. Anyone who wanders the beautiful, oak-laden grounds of the Capitol will doubtless run across the bronze statue of one of its former governors — Charles Brantley Aycock, North Carolina's "Education Governor."

It's an appropriate time for Aycock to be at the center of conversation as the General Assembly comes into session in 2023 and considers weighty issues related to the future of education in North Carolina, such as the Leandro lawsuit and the Opportunity Scholarship Program.

If we examine the history of Aycock's intentions and involvement in public education, would people work so hard to fight educational alternatives today? And what of his educational program still exists in the Old North State's education system?

Charles Aycock was born in Wayne County in 1859. He graduated from the University of North Carolina and practiced law in Goldsboro in 1881.

Aycock was a rising star in the North Carolina Democratic Party and was elected governor of North Carolina in 1901 at 41. He has historically been lauded as "the Education Governor" for his advocacy for public schools and the many reforms he pushed while in office. While Aycock was governor, the state built more than 1,100 public schools and implemented policies such as district consolidation and teacher training that were the underpinnings of the modern N.C. education system.

Former Gov. Charles Aycock's statue still stands at NC State Capitol.

There can be no doubt that millions of North Carolinians have benefited from the public schools for which Aycock labored. However, we live in a political environment where some education "experts" advise lawmakers to expand the Aycock educational complex through the 29-year-long Leandro lawsuit while claiming that school choice programs, like the Opportunity Scholarship Program, are racist.

In a world of such claims from the political left, it's time to have an honest conversation about the genealogy of Aycock's system of public schools.

Why? Because while it has benefited many, it has racist underpinnings that were meant to control minorities and, over decades, has left many students behind.

To be very clear, Gov. Charles Aycock was a racist. He helped organize and spoke at white supremacy rallies in the days leading up to the 1898 Wilmington coup — the only successful coup in American history — and was a leading proponent of a constitutional amendment requiring a poll tax and literacy test to vote. The philosophy of white supremacy is part of why Aycock advocated for universal public education.

Aycock, though privately educated, believed in the virtues of public education and even taught at a public school in Fremont for a time.

However, he also viewed it as a vehicle for social power over minorities.

He explained his thinking process on this concept of social control through public education in a 1904 speech to the Democratic State Convention in Greensboro while he was governor.

On the need for universal education, Aycock said, "the Negro should be taught to realize that while he would not be permitted to govern the State, his rights should be held the more sacred by reason of his weakness."

Did you catch that? As an argument for public schools for everyone in North Carolina, Aycock argues that black citizens must be taught why they are inferior and why they should not be allowed to vote or be part of civil government.

This is the worst kind of racist indoctrination, and the fruits of this tree created a system of educational inequality for decades afterward.

That is not to say that everything about public schools or education is terrible. On the contrary, a good amount of civic, economic, and social good has come out of North Carolina's "general and uniform system of free public schools." However, it has also been used as a means of social control over the students it is supposed to educate. And that is why responsible citizens should be wary of politicians and special interests who continue to want to control how and where students are educated and remove parents and guardians from that process.

Naysayers on the left will read my words and say that I misunderstand history. They'll regale us with stories about the "conservatives switching parties," tell us that conservatives are the real problem in public education and that Aycock's brand of politics was conservative. But there is one glaring problem: Charles Aycock was not a conservative.

While he was running for U.S. Senate in 1912, Aycock said, "I am a Democrat. I am not a conservative or a reactionary Democrat; I am not a progressive Democrat, for the word 'Democrat' with me is a noun substantive of so fine and large import that it admits of no addition or diminution of any qualifying word or phrase."

You see, Aycock was not an ideologue in the modern conservative-to-progressive spectrum. Public education and voting laws were about power politics for the "Education Governor."

I am not suggesting that Charles Aycock be added to the bonfire of cancel culture and that the state government should rip his statue from its pedestal. I am, however, presenting this part of the history of public education as a cautionary tale. The education establishment decries policies that seek to diversify educational environments in North Carolina, such as vouchers and charter schools, which is a shame because those policies fly in the face of this racist stretch of the genealogy of public education.

As lawmakers consider policies to formulate what education looks like in the Old North State for the next century, I urge them to consider the students at the heart of the question instead of blindly funding systems built on amassing power.

Government numbers skew debate over American inequality

MITCH KOKAI
CONTRIBUTOR

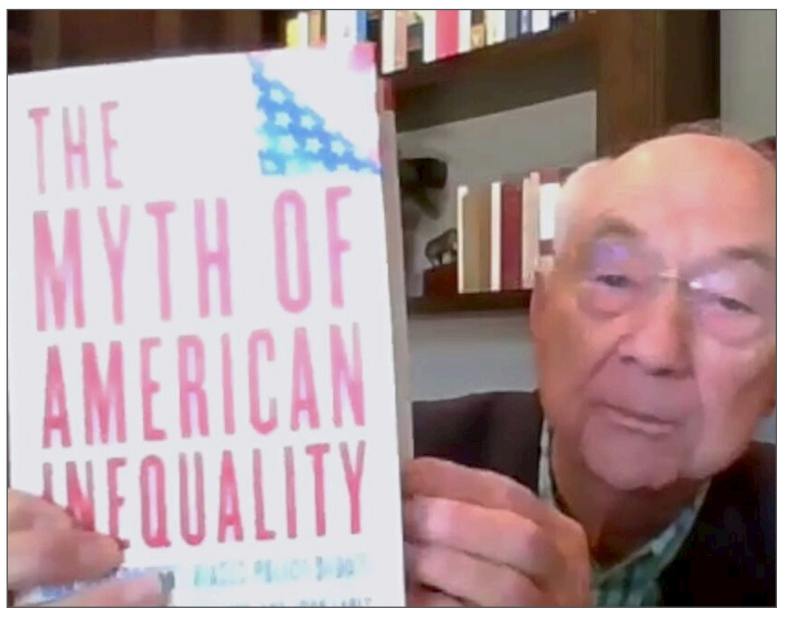
Much of our political discourse involves the subject of inequality. Yet that discourse suffers from a lingering misconception. The federal government's own numbers make the situation worse.

"The problem is that the Census Bureau, in its calculation of household income — on which the poverty rate is based, on which inequality measures are based — counts only cash payments as income."

Those are the words of Phil Gramm. The 80-year-old economist represented Texas in both chambers of Congress. He served as both a Democrat and a Republican. He helped write the budget that implemented Ronald Reagan's economic program in 1981.

Now Gramm has co-authored "The Myth of American Inequality: How Government Biases Policy Debate." The book explains how the government's data mislead people about the extent of American inequality.

It's a problem that dates back to 1947. "They don't count two-thirds of transfer payments as income to the recipient," Gramm told Carolina Journal in a one-on-one interview. "They don't count any taxes paid as income lost to the taxpayer. They don't count refundable tax credits,



Author Phil Gramm holds book he co-authored.

where you get a check from the Treasury."

"Food stamps — when you get a debit card — [it's] not counted as income," Gramm added. "Medicaid — where government pays your hospital and medical bills — not counted as income."

The same is true for housing subsidies, along with more than 100 other federal, state, and local programs.

Factor all of those missing pieces into your income calculation, and you see a much different picture of inequality.

"Whereas the Census Bureau says the top 20% make 16.7 times as much — or has 16.7 times as much as income — as the bottom 20%, we show that actually it's 4-to-1," Gramm said. "The poverty rate is not 12%, but between 2-3%."

Facts about household income contradict arguments from left-wing politicians like Vermont Sen. Bernie Sanders. He claims that growing inequality is "obscene and unsustainable." "Inequality of income in America is actually slightly lower today than it was in 1947," Gramm said.

"We're having this big debate about remaking the economy to deal with inequality, when it's actually lower today than it was 70 years ago. I know it's incredible, but it's true."

The government's calculations create an additional problem. Any new effort to address inequality is unlikely to make a dent in the official statistics.

"Do you remember last year, when President Biden and the Democratic leadership said that if we raised the child tax credit, we're going to cut child poverty in half?" Gramm asked. "I wrote an article in the Wall Street Journal saying, 'No, you're not.' In fact, when the official numbers came out — guess what? It didn't really change. Why? Because they don't count it."

Other government data show just how much the household income figure distorts the real picture of inequality. While the Census Bureau compiles household income by quintiles — top 20%, bottom 20%, and so on — the Bureau of Labor Statistics calculates household consumption by quintiles.

"Last year, the bottom 20% of income earners consumed twice as much as their income," Gramm said. "The second 20% consumed 11% more than their income. The top quintile consumed only half of its income, even though there's no record that people saved that amount of money."

"How did that happen? Well, they didn't count two-thirds of the transfer payments as income, which affected their consumption," Gramm explained. "And they didn't take taxes into account, so the top quintile never had the money to begin with. It was deducted from their paychecks."

Gramm and his co-authors are not arguing that American inequality doesn't exist. They are correcting a record skewed by the government's own number crunchers.

"We just want to get the facts straight," Gramm said. "Let's have a debate based on the facts, not based on numbers that don't have any real connection to the facts. The census income number leaves out 40% of the gross domestic product of the country. That's pretty astounding."

"The debate when the inequality between the top and bottom 20% is 16.7-to-1 and the debate when it's 4-to-1, you can still have the debate, but it's a quite different debate," he said.

Federal numbers present a story that's more fantasy than reality. The facts tell a different tale. "The picture you get of America is a picture that makes more sense than the picture painted by government statistics," Gramm said. "If you've got a question of whether to believe your eyes or government statistics, believe your eyes."

Ongoing debates about inequality, tax policy, and the social safety net will all improve with a clear-eyed focus on facts.

Mitch Kokai is senior political analyst for the John Locke Foundation.

Cutting out the medical middle man

DAVID LARSON
OPINION EDITOR

During my latest trip to have my teeth cleaned, the dentist tried to sell me on the benefits of signing up for a membership with his practice instead of using insurance. I had not heard of this, but apparently, it can be cheaper for many people than paying their premiums. On top of that, the dentists prefer it because they can "cut out the middle man," since dealing with billing departments is often a major part of overhead.

After paying the membership fee, I would get two cleanings, X-rays, and exams per year. Major dental services, if necessary, would be offered at a steep discount. Of course, the John Locke Foundation has a great benefits package, so I'm not in need of this right at the moment.

But it reminded me of a time not too long ago when, as a freelance writer, I didn't have medical insurance. After looking at a couple options, I found a primary care doctor down the street in Raleigh that had a similar setup. For $50 a month, I could be a "member" of the practice.

At any time, I could simply drive over to the primary care office, and I would be seen, usually without any wait. Almost any basic medical service you can think of was covered without additional charge. For more serious issues, the primary care doctor would refer you to a specialist, so they recommended their members have catastrophic insurance for those potential needs.

This trend, known as "direct primary care," is currently experiencing a boom, as are the dental-practice membership plans. According to Business Wire, between 2017 and 2021, direct primary care experienced 241% growth in memberships and 159% growth in clinicians setting up practices. This suggests not only do doctors love not having to hire people to haggle with federal officials or insurance companies over every service they perform, but patients also love not having to worry about co-pays and confusing bill statements.

Singapore somehow pays MUCH less than all other developed nations, while achieving better results, all by focusing on Economics 101.

If insurance companies were required to create catastrophic medical insurance plans specifically designed to fill in the gaps beyond typical primary-care services, this model could really simplify medical care for both doctors and patients.

And it's not just a pipe dream. Many conservatives have long pointed to the simplicity of Singapore's health system as a viable alternative to both the expensive, overly complicated system in the United States and to the socialized systems found in many other developed nations.

Singapore is able to achieve some of the best health care outcomes in the world (like on infant mortality and life longevity) while only spending about 4% of its gross domestic product. In the United States, for comparison, we spend 17% of GDP on health care. Having 13% of our GDP back every year would unleash our economy in ways it's hard to imagine. Socialized models also pay less than we do, typically spending about 10% of GDP, albeit for much less free, less innovative, and less efficient systems.

Singapore somehow pays MUCH less than all other developed nations, while achieving better results, all by focusing on Economics 101. They cut out the middle man, with medical care generally paid for with cash directly to the providers. Market purists may object to the fact that citizens are forced to set aside this money from their paychecks and that everyone is required to have catastrophic insurance. But even if this mandatory market-based system isn't perfect, it shows that there are major savings and efficiencies possible in a simpler, more direct system.

Is there a way to encourage more direct consumption of medical care in the United States and in North Carolina? Can we cut out middle men who complicate our system and make it more expensive? Both doctors and patients seem ready to find a way, and they may be in the process of building that alternative system with a bottom-up movement using models like dental-practice memberships and direct primary care.

THE CAROLINA JOURNAL ONLINE
www.carolinajournal.com

Deaths of despair need careful analysis

JOHN HOOD
CONTRIBUTOR

ACCORDING TO THE latest available set of comparable data, North Carolina ranks 33rd in the nation in "deaths of despair" — that is, in the combined rates of suicides, fatal drug overdoses, and alcohol-induced deaths. In 2020 our age-adjusted rate was 55.5 deaths of despair per 100,000 residents, slightly higher than the national average of 54.8. From 2018 to 2020, our rate rose by 26%.

To say the crisis is more acute in states such as South Carolina (65.1) and Tennessee (79.2) is not to say North Carolinians shouldn't be concerned. I also think there are steps policymakers can take to ameliorate the problem.

Unfortunately, much of the commentary I've seen lately about deaths of despair is based on facile and politically charged analysis.

The reason I cited age-adjusted death rates in my opening paragraph is that some mortality indicators exhibit strong correlations with age.

To respond effectively to a phenomenon such as rising deaths of despair, we need to understand its causes. Looking only a raw data can lead to misunderstandings.

For example, the two Princeton University scholars who helped coined the phrase "deaths of despair," Anne Case and Angus Deaton, argue that the trend is primarily a reflection of rising inequality, inadequate social programs, and weak labor unions. Our free-enterprise system, they argue, once "lifted countless people out of poverty" but "is now destroying the lives of blue-collar America."

A 2019 staff report from the Joint Economic Committee of the U.S. Congress threw cold water on their thesis. A careful examination of age-adjusted rates going back to the early 20th century reveals a "lack of correspondence" between economic indicators such as poverty or inequality and the death rates in question.

For one thing, age-adjusted rates of suicide and alcohol-induced deaths (such as cirrhosis of the liver) were about the same in 2017 as they were in 1975.

They also declined from the mid-'70s to around 2000, then went up again. These patterns don't comport well with attempts to finger capitalism as the culprit. "It is very difficult," the report notes, "to find such trends that improve over the 1970s and 1980s, then worsen after either 1990 or 2000."

The trendline looks very different for drug-induced deaths. The rate rose consistently but rather gradually during the last four decades of the 20th century then shot up dramatically during the first two decades of the 21st century. What's changed? Both the potency (and potential lethality) of illicit drugs and the widespread overuse of opioids.

In other words, if you're looking for a public-policy lever to pull, you're more likely to get results if you pull the one marked "discourage drug abuse" instead of the one marked "strengthen labor unions."

More generally, North Carolina can do a better job of making it easier for residents to obtain high-quality treatment for mental illness and addictions. Government funding can and should play a role here, to be sure, though a recent John Locke Foundation study argues persuasively that loosening the state's certificate-of-need laws would also enhance the number and geographical distribution of treatment options.

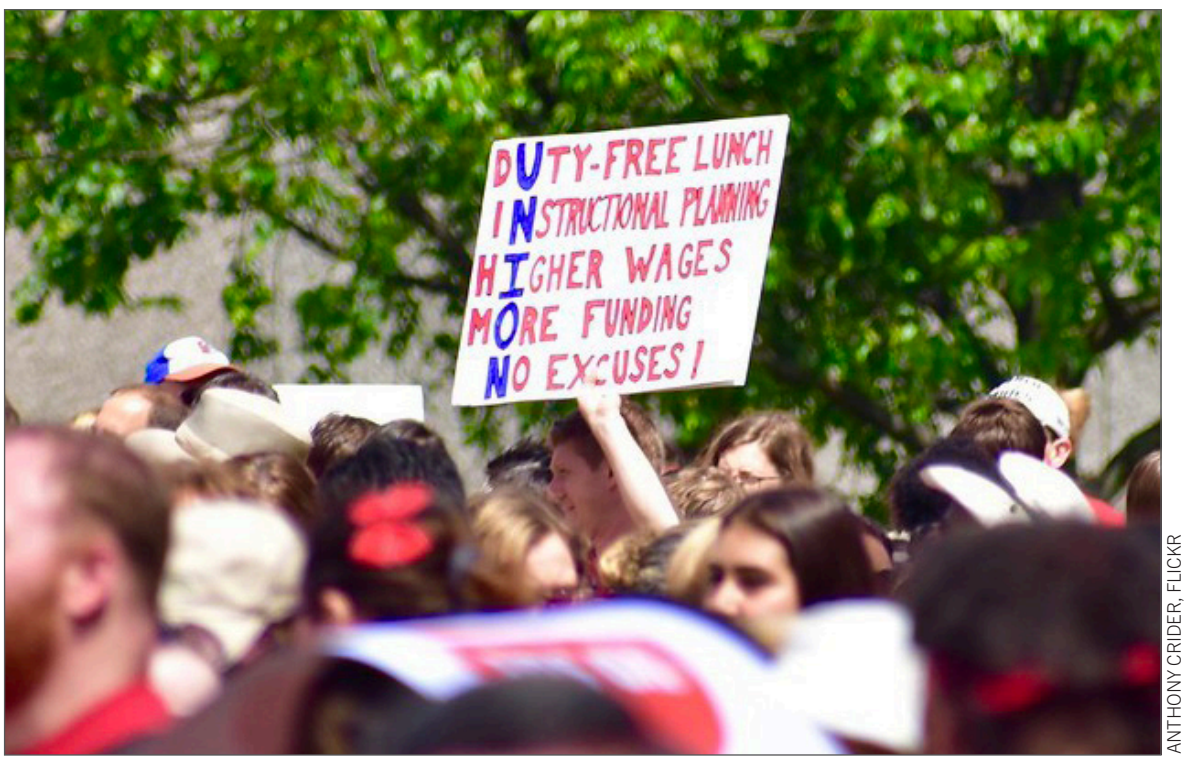
To the extent deaths of despair reflect a lack of social connection, however, I think private associations need to take the lead in remedying it. Consider a study published a couple of years ago in the Journal of the American Medical Association's psychiatry edition. It found a strong association between death rates and church attendance. For women, regular attendance was associated with 68% lower rate of deaths by despair. For men, the difference was about 33%.

Naturally, we can't just assume a causal relationship from the correlation. There was no experiment here in which the researchers identified depressed or lonely people and then randomly compelled some to go to church and others to stay home. But based on other empirical evidence for religion as a social determinant of health, I think it's fair to conclude that faith-based institutions are integral to any realistic strategy for reducing deaths of despair.

John Hood is a John Locke Foundation board member. His latest books, "Mountain Folk" and "Forest Folk," combine epic fantasy with early American history.

Quasi teacher's union NCAE is raising dues again. But what value do they provide?

KELLY MANN
CONTRIBUTOR



ANTHONY CRIDER, FLICKR

The North Carolina Association of Educators and its parent organization, the National Education Association, increased already exorbitant membership dues on N.C. teachers for the 2022-23 school year. Let's try to put into perspective what NCAE/NEA member dues pay for and the value brought to paying teachers.

NCAE and NEA play politics. Contributions and endorsements are dedicated to a slanted agenda disregarding the views of the groups' diverse membership. In 2022, NEA contributed $2,509,957 to Democrat campaigns compared to $24,000 to Republicans — about 100-1 in favor of Democrats. The political trend is not new and is consistent with the group's mission.

John Ryor, past NEA president, bluntly stated, "We will become the foremost political power in the nation." The NEA 2022-23 Resolutions lay out an agenda of goals, a significant number unrelated to education and improving teaching conditions. Climate change, nuclear plants, prison maintenance, and even holidays are a few covered in the resolutions. Many counties, including the biggest in North Carolina, implemented the NEA goal to rename "Columbus Day" as "Indigenous People's Day."

NCAE/NEA dedicates resources to obstruct education choice for students. The Opportunity Scholarship Program, Education Student Accounts (ESA+) Program, and public charter schools are a few of the programs available to ensure N.C. students benefit from a sound basic education that meets learning needs.

In July 2020, NCAE president Tamika Walker Kelly and NEA joined in a lawsuit to challenge the Opportunity Scholarship Program. Opportunity Scholarships serve low-income families and children in foster care.

NCAE's challenge to Opportunity Scholarships is still in court while student need continues to increase.

In February 2021, Kelly held a press conference and listed demands to safely reopen schools. Halting private school vouchers was among the demands Kelly gave to safely return students after a year of school closures.

Most recently, NEA attacked N.C. charter schools. While parents' and students' demand for school choice is at an all-time high, NCAE works tirelessly to eliminate and obstruct options families choose for their students.

NCAE patronizes teachers with calls for raises and improvements to teaching conditions, while their actions prioritize politicians. In 2019, NCAE supported Democrat Gov. Roy Cooper as he vetoed a budget that included a 3.9% average raise.

"North Carolina educators rejected the Republican budget as anemic and insulting in June, and we reject essentially the same today," Mark Jewell, then NCAE president, stated.

Claims were made on behalf of teachers that no raise would be better than what was budgeted. While teachers worked exhaustively during school closures, NCAE toured the state in an RV. Rather than support teachers as they addressed learning loss in the classroom the union president claimed "learning loss is a false construct."

NCAE claims to be the voice of all teachers, but according to the most recent data, less than 17% of N.C. teachers participate. In 2021-22, NEA reported a drop in membership of 40,107 people. Nationally, membership is at its lowest level since 2006.

NCAE does not promote teachers and their profession but instead is an effort to gain influence and power. It lacks focus and misguides members with the stated mission "to be the voice of educators." Their focus is misaligned, and often troubling, to many of the dues-paying members.

> **NCAE does not promote teachers and their profession but instead is an effort to gain influence and power. It lacks focus and misguides members with their stated mission "to be the voice of educators."**

Former NEA general counsel Robert Chanin summarized it well, saying, "It is not because we care about children, and it is not because we have a vision for a great public school for every child. NEA and its affiliates are effective advocates because we have power."

Kelly Mann is the John Locke Foundation's Grassroots Director, coordinating the organization's engagement with community groups. She has contributed to Fox, Bloomberg, and Working Mother.

GOT AN OPINION?

Carolina Journal is accepting letters to the editor and guest opinions (op-eds)* on issues related to North Carolina. We cover the state from a limited-government and free-market perspective but will consider varying viewpoints, depending on relevance and quality. A good guideline for letters is 200-500 words and 550-800 words for op-eds. A letter to the editor is comment or disagreement with a published CJ piece; an op-ed is a guest opinion argument.

Please email any submissions to opinion editor David Larson | dlarson@lockehq.org

*We retain the right to edit or to not publish any submitted letters or op-eds.

THE CAROLINA JOURNAL

Did the pandemic change income inequality?

MICHAEL WALDEN
CONTRIBUTOR

Protesters at a McDonalds restaurant demand minimum wage increase.

DECADES FROM NOW, people who lived through the pandemic will remember it as a horrible period. Over 1 million people in our country died, with millions more sick but still surviving. Thousands of businesses closed forever, learning was lost in schools, and lives were disrupted in multiple ways.

But could there be some positive impacts from the pandemic? Some say new technology prompted by the pandemic for remote interactions in business, medicine, and shopping is a plus. The pandemic revealed dependences we have developed on other countries for some key products. This has sparked renewed interest in "re-shoring" of manufacturing to our country, which would both reduce dependences and create jobs.

One of the biggest economic issues of our time has been increasing income inequality. This simply means the income gap between those with higher incomes and those with lower incomes has been widening. However, it appears the pandemic may have closed some of that gap. Here's how.

A big reason for broader income inequality has been economic changes in the 21st century. Technology has been the driver of much of the recent economy. Firms in the tech sector need highly trained workers, often with four-year college degrees or more. This has led to large pay increases for college-trained workers in technology and also in many other professional occupations. The pay raises for college-trained workers swamped those for other workers, thereby leading to bigger gaps between high-paid and low-paid workers.

Yet some recent national statistics indicate this outcome may have changed. In the last two years, national numbers show hourly earnings have risen fastest for occupations paying the least, while at the same time increasing the slowest for occupations paying the most. This has resulted in income inequality actually decreasing in the last two years.

Two forces have collided to reduce income inequality. The first is the pandemic. The pandemic has made many people cautious about taking jobs requiring personal contact, particularly if the job is low-paying.

Indeed, many workers who had these kinds of jobs upgraded their skills when the economy was in shutdown mode. Hence, when the economy reopened, these individuals moved on to employment with better pay.

The second force is demographics. Many low-paying jobs are taken by young workers. But due to a declining birth rate, increases in younger workers have significantly slowed. This has limited the supply of low-wage workers.

As a result, with relatively fewer workers seeking their jobs, firms in low-paying businesses have needed to increase hourly earnings to compete for employees.

The recent narrowing of income inequality has also happened in North Carolina. From 2020 to mid-2022 (the latest available data), average weekly earnings in high-paying occupations, such as management, finance, and the professions, rose 2.7%.

For middle-paying occupations, including manufacturing, construction, health care, and education, weekly earnings jumped 7.2%. But for low-paying occupations in clerical, personal services, and food and hospitality businesses, the gain in average weekly earnings was 15.3%, twice the gain for middle-paying occupations and more than 5.5 times the increase for high-paying occupations.

The result is that income inequality in North Carolina in mid-2022 was at the lowest level in two decades.

Of course, many low-paying businesses that raised worker wages by over 15% in less than two years likely had to also increase their prices significantly. But this would also happen if the big pay jump was for high-paying or middle-paying occupations.

One question is whether workers in low-paying occupations will continue to see similar gains, or even if they will keep their current gains? Much will depend on how businesses using low-paying occupations adjust over the long run. Will the businesses add more technology and consequently reduce their employment of people? Indeed, McDonald's announced it was testing the first all-digital store that operates with very few workers. Is this a peek at the future?

So the recent news on income inequality in the country and in North Carolina is good. Will the trends continue, or will they be temporary?

Walden is a William Neal Reynolds distinguished professor emeritus at North Carolina State University.

Why we fight

BRIAN BALFOUR
CONTRIBUTOR

WILLIAM ZHANG VIA WIKIPEDIA COMMONS

The Liberty Bell in Philadelphia bears the legend "Proclaim liberty throughout all the land unto all the inhabitants thereof."

IN THE ALMOST 17 YEARS I've spent working for conservative, free-market public policy organizations in North Carolina, I've devoted much of my time to one consistent theme: State legislators should reduce taxes and rein in spending.

But why is this so important?

First and foremost: It's your money. Beginning with the concept of self-ownership, we can derive property rights. You own yourself, your time, and your labor. The income you earn is justly acquired due to your sacrifice. It is yours. To assert that someone else has a claim to your income is to deny your self-evident right of self-ownership.

The fight for lower taxes is an effort to maximize your self-ownership and your inherent right to enjoy the fruits of your labor. Critics who contend that advocates of lower taxes do so out of "greed" or on behalf of "the rich" are offering nothing but verbal clutter, attempting to mask the true issue: Do you own yourself?

The Tax Foundation for years promoted "Tax Freedom Day," which was the date in the year that signified how long Americans had to work to pay the nation's tax burden. In short, how many days of the year must you work to pay your share of taxes? The concept is clear: That portion of the year represents days you are not working for yourself, but for the government.

That's what taxes represent: that slice of your life that is owned by the state.

And if you are forced into foregoing a part of your freedom to the government, it better be for a justified purpose. Which brings us to how your tax dollars are spent. The N.C. Constitution recognizes that people's "inalienable rights" include the "enjoyment of the fruits of their own labor."

So if our state government is to take a portion of the fruits of our labor, for what purpose would it be justified?

For instance, parks, aquariums, and museums are nice to have, but are such conveniences the reason "governments are instituted among men"? If such attractions are popular among the people, government coercion shouldn't be necessary for them to receive funding.

What about government handouts to corporations, which now can exceed more than $1 billion's worth of pledged giveaways with your money in just one year? Is it justified that a part of your life is stolen from you to bribe multinational corporations?

These examples just scratch the surface of the commonplace acts of politicians to reward supporters and political constituents with handouts, contracts, and patronage jobs — all with your money.

Politicians love nothing more than holding and accumulating more power, and your hard-earned tax dollars are a vital tool in them fulfilling those goals.

Critics will argue that restraining government spending will deprive society of important programs and services. In reality, however, the more entrenched government is with a good or service, the more likely they are to suffer from acute administrative bloat.

For instance, from 2000 to 2019, the growth of administrative staff nationally in K-12 education outpaced the increase in students — and teachers — by a whopping 11 to 1 ratio. Similar trends can be found in health care and higher education.

So why do I continue to fight for government to lower taxes and restrain spending? Because it is only fair for decisions over how your money is spent to be made at your kitchen table with your loved ones instead of in a back room filled with self-interested politicians in Raleigh.

Every dollar that is taxed and spent by the government represents a greater diminishing of your self-ownership.

It's your money; it's your life. That's why we fight.

Voters across Carolinas moving past Trump/Biden, focused on public-policy solutions

DALLAS WOODHOUSE
CONTRIBUTOR

As Donald Trump and Joe Biden focus their attention on 2024, voters across the Carolinas are thinking about the future — one that focuses on public policy solutions, not "gotcha" politics and controversies of the past. Voters are expressing a willingness to move on from both the former and current president if they can't meet the moment with real solutions to the problems facing everyday voters.

According to new polling conducted by Differentiator Data, Trump is viewed favorably by just 38% of North Carolina's likely voters. Biden doesn't fare much better, with only 42% of N.C. voters viewing the current president favorably. Republican voters favored Florida Gov. Ron DeSantis (47%) over Trump (35%) by 12 points in a six-person GOP field. Nearly half of GOP voters that viewed Trump favorably would still pick DeSantis or another candidate.

The N.C. data is interesting because it shows an evenly divided electorate, similar to what the Tar Heel State saw in 2020. On the generic ballot test, likely N.C. voters favor Republicans by 1.2% over Democrats (47.6 % to 46.4%). This is similar to how North Carolina went for Trump by just 1.75% in 2020.

Despite the current president's 42% approval in North Carolina, Biden (48.4%) would defeat Trump (44.6%) in a rematch by 3.8%. However, given the chance to select a new face against Biden, N.C. voters prefer DeSantis (48.8%) to Biden (43.8%) by 5 points. That is a shocking 8.8% swing in the right direction for the GOP if they nominate DeSantis over Trump. Those are critical numbers in the swing state of North Carolina.

Other areas are seeing similar results.

A new national Marquette Law School Poll finds that DeSantis has a +19% advantage in favorability over Trump among GOP voters. Among all voters, Trump and Biden are tied at 40%; however, DeSantis would defeat Biden by 7 points, 45% to 38%.

The numbers in ruby-red South Carolina should also concern Trump, according to a new poll from the South Carolina Policy Council.

In fact, 54% of likely 2024 S.C. voters agreed that "the country would be better off if neither Joe Biden nor Donald Trump is elected President in 2024." Only 30% said they disagree.

Other important takeaways include:

A majority (51%) of likely Palmetto State voters viewed Trump unfavorably, compared with 46% who viewed him favorably.

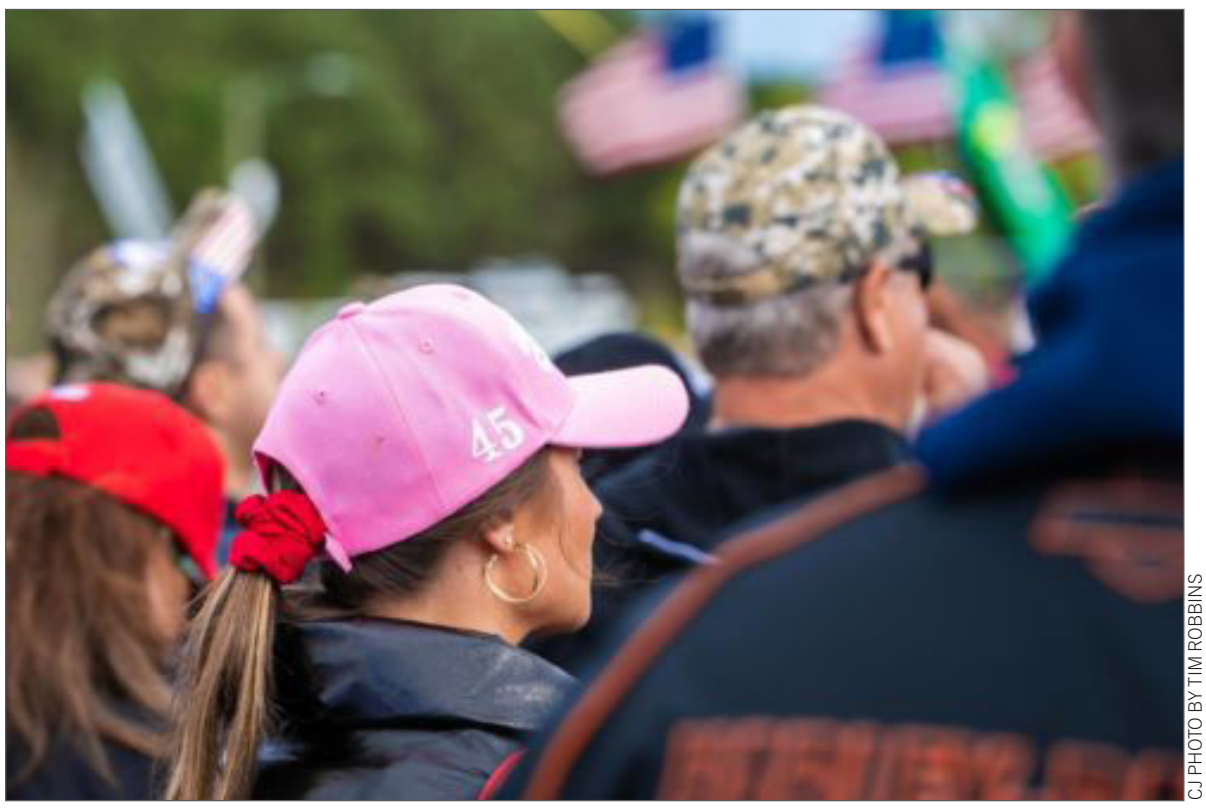
Biden is viewed unfavorably by 54% of likely voters, while only 45% viewed him favorably.

Of Republican primary voters, only 37% said the GOP should nominate Trump in 2024, while 47% said the GOP should nominate someone else.

In a head-to-head matchup, a majority of likely S.C. Republican voters favored DeSantis (52%) over Trump (33%) by a whopping 19%.

Nearly half (46%) of Republican primary voters who viewed Trump very favorably said the GOP should nominate someone else.

Of the S.C. voters who viewed Biden very favorably, 38% still said America would be better off if neither Biden nor Trump were elected in 2024.



CJ PHOTO BY TIM ROBBINS

Voters attend a Save America Rally with former President Donald Trump in 2020 near Selma.

Of S.C. Democratic primary voters, only 43% said their party should nominate Joe Biden for re-election in 2024, while 38% answered someone else.

For Trump and Biden to win back the voters they have lost, they will have to turn the page on the past and deliver an optimistic, forward-looking agenda for the future — a herculean task for two men who have been on the earth for eight decades.

Another nasty personal fight between the two of them might produce an electoral winner, but not one who can capture the hearts and minds of the American people to successfully lead the country.

Americans are still suffering from the effects of inflation. In South Carolina 78% of likely voters are concerned about paying their monthly bills due to inflation and rising costs. Nearly half (48%) are extremely concerned.

> **Voters are not worried about what politician had which documents where. They are concerned about buying butter and eggs and heating their homes. They want answers. They want real solutions.**

Voters are not worried about what politician had which documents where. They are concerned about buying butter and eggs and heating their homes. They want answers. They want real solutions.

South Carolinians will be key in deciding which Republican and which Democrat will become their party's nominee. North Carolina, decided by just 1.75% in 2020, will be a key swing state in the 2024 general election.

Yet across the Carolinas, voters are already sending signals. Voters are hungry for fresh, new policy ideas. They want competent leadership that can deliver real policy solutions to address real-world problems.

The question is, can either party and its candidates deliver?

Groundhog Day

continued from PAGE 13

journalistic genius is not being fully appreciated.

But he goes to the podunk town and does the story (half-heartedly) anyway. A storm forces him to stay another night, though, to his dismay. And then, he wakes up to find that the previous day, Groundhog Day, had not even happened as far as anyone else is concerned. So he has to do it over. Then do it over again. Then again. With no suggestion that the cycle will ever end.

In dealing with this predicament, Connors follows a path that somewhat mirrors Elisabeth Kübler-Ross' Stages of Grief, also known as the Stages of Dying — denial, anger, bargaining, depression, and acceptance. I was somewhat proud to learn, after Googling, that director Harold Ramis says this is indeed what guided screenwriter Danny Rubin's vision of the stages of Connors' progress.

By the last phase, after a long journey, Connors is able not only to accept that he lives every day as Feb. 2 in Punxsutawney, but embrace it. Each day he tries to maximize the opportunities to grow in virtue and move closer to the True, Good, and Beautiful.

PHOTO COURTESY OF COLUMBIA PICTURES AND SONY

Bill Murray stars in the 1993 comedy "Groundhog Day."

It's also a love story in that he eventually realizes he has fallen for the innocent, hopeful, poetry-loving producer, Rita, he has been trying to sleep with, unsuccessfully, for all these repeated days.

At that point, he gives up trying to use her for momentary pleasure and tries to be a man that would deserve the love of a woman like her.

After a time with this new attitude, he emerges as a master piano player, skilled ice sculptor, generous philanthropist, and all-around great guy. After a day of doing every possible thing to improve the lives of the people in the town, he receives the praise and admiration of the town at its annual (for him nightly) Groundhog Day dance party.

When the spell is finally broken by this full embracing of his fate, he wakes up to a new day and suggests to Rita, who now loves him back, that they move to Punxsutawney.

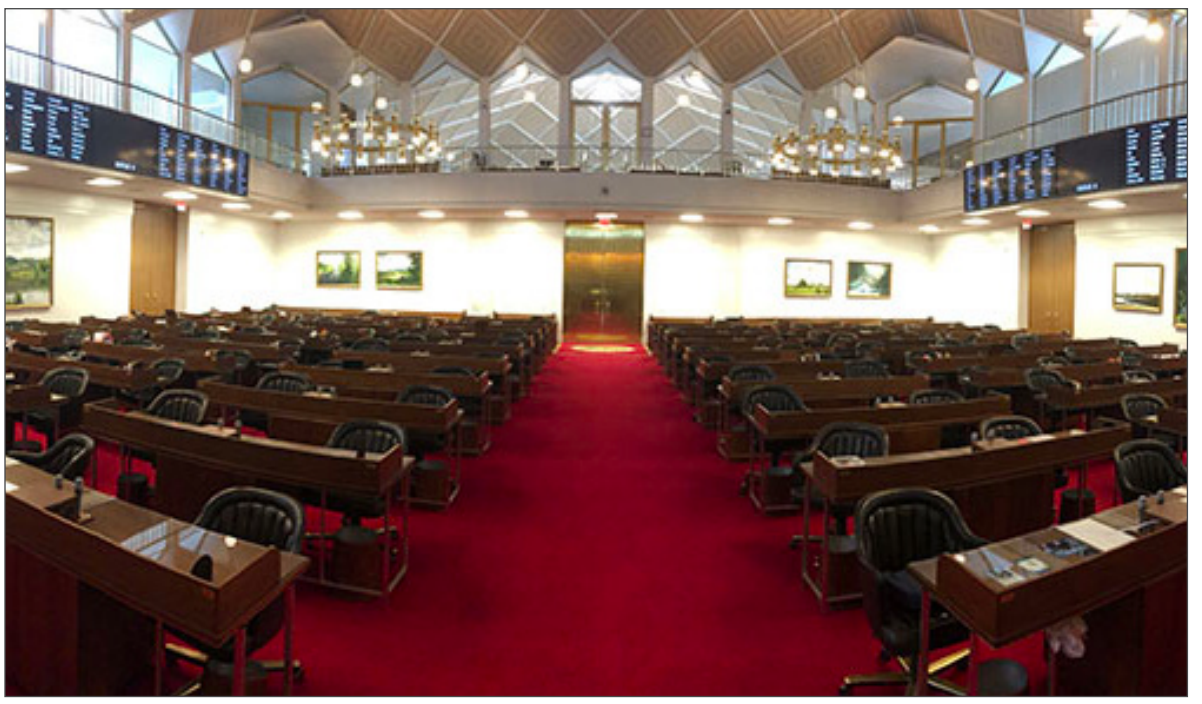
Some have suggested it took him centuries repeating this one day to get to that point. Many Christians view it as an analogy for sanctification in this life or purgatory in the next, Hindus and Buddhists for reincarnation toward enlightenment, and others for simply overcoming life's struggles to become the best version of oneself.

The intent for Phil Connors' struggle to be seen as relatable to the common experience is made clear when, in a moment of despair, he opens up to a couple of blue-collar locals at the bar, saying, "What would you do if you were stuck in one place, and every day was exactly the same, and nothing that you did mattered?" One of the men pauses, takes a shot of whiskey, and responds, "That about sums it up for me."

> **What would you do if you were stuck in one place, and every day was exactly the same, and nothing that you did mattered?**
>
> -Phil Connors
> 'Groundhog Day'

The movie, ultimately, is an opportunity to meditate (in an entertaining way) on our own response to the inevitable suffering and death that life brings and to scenarios where we are left endlessly repeating mundane, or even painful, situations — changing diapers, being stuck talking to "that" person again, another day without that deceased loved one.

It has helped many, and will undoubtedly help many more, embrace our trials, like the dopey weatherman did, enough to transcend them and emerge on the other side.



A case for civility

continued from PAGE 2

they can. We have some characters in our legislature and some really good people.

It's easy to say this now; the session is barely a few weeks old, and there is still the looming issue of redrawing election district maps for 2024. I believe that members retreat to their political corners when discussions of actual policy morph into emotion-laden messaging in 280 characters, or catchy slogans for posterboard signs.

Over-simplifying important public policy to rally the base and get some airtime robs the legislative process of the chance to breathe and work. More importantly, it robs North Carolinians of the healthy economic and social environment that we all need to thrive here.

There is tremendous pressure on the members coming from outside of the Legislative Building: constituents, big industries, issue advocacy groups, donors, plus national and state parties. They are all keeping a close eye on the chambers as Republicans commence their 13th year holding the gavels after Democrats had almost all power for a century. While not a lawmaker, Gov. Roy Cooper can play an important role in keeping the civility of the legislative process intact or stoking anger to a boiling point.

Since 2016, his vetoes, behind-the-scenes strategic maneuvering, and relationships with the Council of State and legislative leaders have lit a fuse in many political battles. Democrats thought he was holding the line against Republicans and their policies, while Republicans thought he was overstepping his authority and using the judiciary to his political advantage. National media touts the bipartisan nature of North Carolina's economic success, but vetoes and high-stakes partisan conflicts have become a hallmark of his tenure in the executive mansion.

Cooper will not be on the ballot again because he is term-limited. So far, he has not endorsed a potential successor, even though his close political ally, Attorney General Josh Stein, announced his candidacy for governor. I think that will help the session have a bit more dissection of policy, rather than politics.

Among many other things, North Carolina is known for neighborly kindness and civility. The legislative process should be no exception.

The New RPS...

continued from PAGE 2

cause they reliably generate revenue for owners. They are money makers through the federal production tax credit. Investors also can make money by selling renewable energy credits to virtue-signaling companies like Bank of America so they can market their claims of "carbon neutrality" to gullible consumers.

With all the subsidies and mandates, it's no wonder the number of solar installations in North Carolina has skyrocketed. North Carolina is fourth nationally in installed solar capacity, according to the Solar Energy Industries Association, with 8,147 megawatts. The industry group also claims N.C. solar can power 955,987 homes. So why doesn't it? Because 8,147 MW of installed solar can't power that many homes. Remember the confession: Solar is intermittent. The maximum "dependable" capacity is zero.

Solar works in small scale — homes, flat-topped roofs where the investment is private and the consequences more limited. Unreliable, nondispatchable generation is no way to power our grid — the nation's largest, and arguably most important machine — or grow an economy like North Carolina's.

I propose a new RPS we should adopt. Instead of a Renewable Portfolio Standard, modernize the definition of RPS to mean Reliable Portfolio Standard. Full credit for the new term goes to Jason Hayes at the Mackinac Center for Public Policy in Michigan. He threw out the name change during a phone conversation after I shared the above solar confession. (Yes, we're a hit at cocktail parties.)

The Reliable Portfolio Standard should be simple and easy to understand. How many megawatts of reliable, dispatchable power does that state have as a percentage of peak demand? If North Carolina's peak demand is 30,000 megawatts and our reliable, dispatchable generation capacity is 15,000 megawatts, then the RPS would be 50%. It's actually a little more complicated than that. We'd have to get into capacity factors and dispatchability for individual power generators. But you get the gist. The higher the percentage, the better. The lower the percentage, the more unstable the grid and the higher the risk for rolling blackouts.

Back to our confession: "Solar is an intermittent energy source, and therefore the maximum dependable capacity is 0 MW." Intermittent energy sources like wind and solar would dramatically lower the new reliability-focused RPS. Any project that lowers our RPS should be met with a healthy dose of skepticism and thorough scrutiny before forcing ratepayers to invest or taxpayers to subsidize.

It would be understood under our new RPS that mandated retirements of reliable, dispatchable baseload generation must be replaced with new reliable, dispatchable baseload generation to maintain a high RPS.

States with a high RPS could use it as a tool for economic development. A reliable power supply is a major factor for companies to invest in a state.

Let's retire the old Renewable Portfolio Standard and replace it with the Reliable Portfolio Standard, a far more meaningful metric that shows the state's commitment to ratepayers and a thriving economy.

locke
Legacy Society

Plan today to protect freedom tomorrow!

Imagine that you can safeguard freedom for years to come and help us build a North Carolina of responsible citizens, strong families, and successful communities. Becoming a Charter Member of the Locke Legacy Society makes giving a transformational gift possible! Not only will you save on taxes, you can keep your cashflow intact and honor your family, all while ensuring the bright future of North Carolina.

Become a Charter Member of Locke Legacy Society today! Visit www.lockelegacy.org

Whether creating a simple bequest in your will, gifting stock, designating a life insurance policy, contributing your required IRA distribution, or choosing from a wealth of other gifting options, there are many ways to perpetuate your values through a planned gift.