



Legislative Update

#0010 for April 9, 2007

Is this the April Surprise? You could have heard a pin drop last Wednesday morning at the Joint Committee on Appropriations – Health & Human Services. Co-Chair Sen. Doug Berger (D-Franklin) announced that the Appropriations chairmen had given the subcommittees reduced budget targets. In the case of Health & Human Services, the target was to *cut* \$27 million from Gov. Mike Easley’s expansion budget for 2007-2008 and cut \$28 million for 2008-2009. After a moment of shocked silence, the lobbyists and citizen observers at the back of room began to buzz like angry bees.

Technically, the “April Surprise” doesn’t spring to life until the Department of Revenue presents actual numbers on state revenues, but preliminary figures must leak out, and the announced budget targets strongly suggest that the news is going to be bad or, at least, not as good as many had hoped. Meanwhile, House Speaker Joe Hackney (D-Orange) has been quoted as saying that he wants the House to finish its version of the budget during the first week of May and turn it over to the Senate. He reasonably adds that the House members will know more about what they can spend when they receive the final state revenue numbers after April 15. Finishing the House budget in early May would look good for him and show strong leadership, but any one of numerous controversies could derail his train: whether or not to enact tax reductions, teacher pay raises, Medicaid relief for counties, etc.

The announced budget targets and the Speaker’s schedule raise interesting questions. (01) Are key lawmakers trimming their budgetary sails because they’ve been tipped that revenue will come in at a lower-than-expected level? (02) Or – forgive my skepticism – are they using these low budget targets to clear the decks of unwanted funding bills and make room for their own priorities? *Honi soit qui mal y pense.* (Evil to him whom evil thinks.) Still. . .

According to the Raleigh *New & Observer*, the various subcommittees have been directed to carve a combined \$210 million off the Gov. Easley’s expansion budget. That includes a target of snipping \$115 million from his proposed expansion budget for education. Are the teachers and local school districts going to stand for that? Will Gov. Easley stand for that? And behind them stand a long line of advocacy groups including mental health champions, protectors of the environment and us – the protectors of practically everyone who needs protecting.

Busy as things have been over the last 10 weeks, the hurly-burly has just begun.

Question: How many DSS directors does it take to change a light bulb?

Answer: The matter is being litigated, and we can’t comment on it at this time.

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