



The North Carolina State Budget: Its Assumptions and Priorities

On February 14, 1983, the N.C. Center for Public Policy Research held a public forum on the 1983-85 state budget. More than 125 public officials, corporate representatives, newspaper editors, and other concerned citizens attended the event, the Center's annual symposium. Seven analysts examined the budget that Gov. James B. Hunt Jr. and the Advisory Budget Commission submitted to the General Assembly. The speakers were:

- Dr. Jack Brizius, a nationally recognized budget adviser and a consultant to the National Governors' Association;
- Dr. S. Kenneth Howard, former state budget officer in North Carolina, now executive director of the Advisory Commission on Intergovernmental Relations in Washington, D.C.;
- Ran Coble, executive director of the N.C. Center for Public Policy Research;
- Ron Aycock, executive director of the N.C. Association of County Commissioners;
- Leigh Wilson, executive director of the N.C. League of Municipalities;
- David Crotts; fiscal analyst with the Fiscal Research Division of the N.C. General Assembly; and
- Dr. Al Stuart, chairman of the Department of Earth Science and Geography at UNC-Charlotte.

In a series of presentations, the speakers highlighted the assumptions and priorities of the budget and found:

- little funding for capital expenditures, repairs, or maintenance;
- a declining percentage of public school funding within the overall budget;
- more than 20 *expansion budget items* included in the budget, dubbed by Hunt as a "non-expansionary" budget;
- a trend of declining populations but increasing

appropriations for most state human resources institutions;

- an absence of any proposals addressing prison overcrowding;
- a growing elderly population having an impact on the Medicaid budget;
- a policy of budgeting state employee positions as if every position were filled every day of the year;
- the absence of any money budgeted for a surplus or an ending credit balance; and
- a dependence on recruitment of the micro-electronics industry as the state's major economic development policy initiative.

The major dailies and weeklies across the state covered the event. "North Carolinians should ask that Monday's symposium on the state budget, sponsored by the private, nonprofit N.C. Center for Public Policy Research, become an annual event," said *The Charlotte Observer* in its February 17 lead editorial. "It was an eye-opening session, even for some state legislators. And until the governor and legislative leaders reform the state's budget-making process, such programs may be the citizen's only hope for an arm's-length assessment of state spending plans."

Similar editorials and news stories appeared across the state. "Budget tells much about people, priorities — Independent analysis vital," read the headline for Ferrel Guillory's column in *The News and Observer* of Raleigh.

If you missed the symposium, you can still benefit from what happened in Raleigh on February 14, 1983. In July 1983, the Center will publish the proceedings of the symposium. To order your copy of the proceedings — a perfect companion volume to the biennial budget soon to be approved by the N.C. General Assembly — send \$10 to the N.C. Center for Public Policy Research, P.O. Box 430, Raleigh, N. C. 27602.