

20 For 22

The following is 22 goals set out by Governor McCrory in his State of the State Speech. Thus far, he has made good or achieved significant progress on 20 of them. The stated goal is followed by the SOS language that defined it.

Goal 1 - North Carolina has lived within its budget. In addition to making the books balance, the budget Governor McCrory signed placed \$270 million into the state's reserve account, commonly known as the "Rainy Day Fund."

"Let's start with efficiency. First, we are reviewing the budget numbers as we speak. And right now it looks like next year's budget provides no new money or new revenue. So like families across North Carolina, we must live within our budget. We must refocus our priorities and become more efficient in how we spend our limited dollars."

Goal 2 - Governor McCrory has put in place a process to begin paying off North Carolina's unemployment insurance debt to the federal government.

"I have concluded that our government, like working families throughout our state, must first pay off its debt. Pay off its credit card, which in this state's case is \$2.5 billion. Therefore, tomorrow, I will sign house bill 4 to protect our small businesses from continued over taxation. This will insure our citizens' unemployment safety net is secure and financially sound for future generations. This is the reason I'm signing this bill."

Goal 3 - Governor McCrory has begun to reform North Carolina's broken Medicaid system.

"A recent audit showed that the past administration overspent on Medicaid by 1.4 billion dollars over past three years. Georgia is able to deliver Medicaid services at a cost of 4,000 dollars per patient, while North Carolina's delivery is over 6,000 dollars per patient. We must fix this and strengthen our existing Medicaid system prior to putting at risk further tax dollars in a broken system."

Goal 4 – The process of streamlining of the Office of Administrative Hearings, which has been bogged down by continuous delays, has begun with the passage of... (**Legislative citations to come**)

"I will be requesting your help through legislation, to streamline the process at which the Office of Administrative Hearings where delay- delay after delay – are adding millions of dollars to our cost as we speak today."

Goal 5 – A \$60 million IT Reserve fund has been established to help streamline and update the state's aging information technology infrastructure. (*SB402, Sec 7.3 pg 32 FY13-14 28,000,000/MR FY14-15 \$31,582,485*)

"My budget will provide substantial funding to fix and repair state properties and our broken IT systems in North Carolina government."

Goal 6 - Governor McCrory has budgeted \$150 million to fix and renovate state property and buildings. (SB402 sec. 2.2 (c) p.6 FY13-14)

“My budget will provide substantial funding to fix and repair state properties.”

Goal 7 – North Carolina’s fleet operation will be modernized with a new \$9 million fleet tracking and management system. (money report p I-1 FY13-14)

“We will be requesting legislation to expand efforts to implement electronic tracking – tracking systems for state vehicles - an area where we currently don’t have any accountability. In addition, we are "right-sizing" vehicles where possible to reduce cost and fuel use, saving hundreds of thousands of dollars each year.”

Goal 8 –Better human resource management after a modernized State Personnel Act passes the General Assembly.

“We are also requesting legislation to address state personnel and productivity issues. This is a very serious issue for our Cabinet and other people in the Council of State who have communicated this issue to me.”

Goal 9 – Grant state employees a 1 percent raise in salary. Although proposed in the governor’s budget, it did not survive in the spending plan signed by the governor. Thus, this goal is not considered accomplished. However, the governor did establish a \$15 million Salary Adjustment Reserve fund to retain employees in vital operations who are underpaid compared to other public and private sector employers. (SB402 p372)

“...we have to continue to attract, retain, reward and appreciate our state talent that works so hard for all of us in state government. Let’s also give them a round of applause.”

Goal 10 - Bring a culture of customer service to the Department of Motor Vehicles. DMV now offers extended hours at 11 driver license offices state-wide with 8 additional offices open on the first Saturday of each month. More than 85% of the population state-wide is now within 30 miles of DMV extended hours services and more than 10,000 people have been served to date. Additionally, nearly \$2.5 million has been budgeted to improve customer service at DMV during the next two fiscal years.

“I’d like to thank our Secretary of Transportation for his role model leadership and delivery in this excellent customer service in a very short period of time, but Tony I’ve charged you with several other projects. First and foremost, fix DMV.”

Goal 11 – Retain the ability of the state court system’s to use drug treatment as an alternative sentence. Although the drug courts were not re-established, the governor added \$2 million a year was appropriated for substance abuse treatment for high risk offenders in the criminal justice system.

“...we have to do everything that we can to help this terrible addiction issue throughout North Carolina.

Goal 12 – The governor increased collaboration between state’s education establishments by reconvening Education Cabinet and working for the successful passage of the NC Education and Workforce Innovation Act,

“Market based needs must be an important factor in education funding, curriculum, and results. That’s why my administration is seeking to expand strategic partnerships between the education community and the business community. My budget will promote this philosophy in pre-K, K-12, community colleges and our university system.”

Goal 13 – Strengthen vocational education pathway for North Carolina students and teachers. The passage of Senate Bill 14 instructs the State Board of Education to update the curriculum for career and technical education courses, as well as revise licensure requirements for career and technical education teachers.

“There are two pathways to success: both a college track and a path through vocational training. Students like to have choices. Our employers need these choices. They are both equally important to empower our students, to achieve their post-graduation high school goals.”

Goal 14 – Devote lottery funds to digital learning. The budget Governor McCrory signed accomplished task by providing approximately \$24 million over two years. (*SB 402 sec 6.11(e) p15*)

“I’m recommending that we pursue legislation to reallocate a portion of money away from the bloated and frankly annoying advertising and the large administration cost of the Lottery Commission, and we will use that money to directly help our students with technology.”

Goal 15 - Reform North Carolina’s antiquated tax system. Governor McCrory signed tax reform, HB 998, on July 23.

“But the fact of the matter is our current system is out of date. It was written in the nineteen thirties. It no longer applies to the modern economy. We must have an economic and tax policy in North Carolina that is simple, that is competitive, that is modern and that is pro-growth.”

Goal 16 – Make North Carolina’s tax rates more competitive with neighboring states. This was accomplished through the signing historic tax reform. (*HB998*)

“Lower rates on personal income and businesses to be more competitive at least with our next door neighbors.”

Goal 17 – Get North Carolina deeper into energy exploration. This goal is not considered to be achieved but a number of energy related bills will be considered in the short session.

“This administration will move closely working with all of you, to get North Carolina in the energy business and the process of energy exploration in a safe and environmentally sound way.”

Goal 18 – Protect and grow North Carolina’s military sector. This was achieved, in part, by securing \$1 million for North Carolina’s Base Closure and Realignment Commission. (*MR item 57 pH-12*)

“For these heroes, we are finalizing a plan that focuses on first, the retention of the bases and our troops here in North Carolina; second, growing our military supplier base; three, retaining our highly skilled; and four, growing the defense manufacturing sector. We have incredible opportunity to follow through on those four objectives.”

Goal 19 – Improve state transportation planning and funding. This occurred in large part with the passage of the Transportation Strategic Mobility Fund

“I believe that government’s main role is to provide the infrastructure for job creation and economic growth. This is one of the great things that Dwight Eisenhower did as president. He worked to connect the urban with the rural and the East with the West. We need to keep focused on continuing that type of visionary thinking right here in North Carolina using our infrastructure.”

Goal 20 - Increased refrigeration capacity provided to the Port of Wilmington to increase export of North Carolina agricultural products.

“To help achieve this goal, under the leadership of the agricultural commissioner, the transportation and commerce secretaries, we gained approval, and I’d like to thank the Council of State, to bring needed refrigeration to our Wilmington port, for our cold food chain exports. This will be one step forward that we must have to increase exports.”

Goal 21 – Reform the Commerce Department’s economic development infrastructure. This was achieved through budgetary authorization to begin the department’s Partnership for Prosperity initiative. Funding was also appropriated for the department’s Rural Economic Development Division and Rural Economic Development Authority.

“In the area of business recruitment and needed investment expansion, we are going to be recalibrating our incentive program. This will ensure that we are using our resources based upon measurable results, to attract, expand and retain jobs in North Carolina. We will be undergoing a total review of our Commerce Department, to ensure that we are flexible and we are adapting to our ever-changing competition and economic conditions.”

Goal 22 – Acquire funding for workforce development partnerships. This was achieved through \$10 million for community college vocation equipment acquisition, upgrade and replacement, \$20.8 million for community customized training and \$2 million for the Education and Workforce Innovation program.

“We are also developing partnerships with community colleges and universities to help meet specific workforce needs for our businesses.”

Other goals achieved by the governor, \$10 million for the eugenics sterilization compensation and \$4million for the NC Government Efficiency And Reform (NC GEAR) initiative. It’s a two-year reform and modernization program similar to GPAC back during the 1990s.