

Governor Signs State Budget

Excerpts from Governor Perdue's Prepared Remarks Regarding the State Budget:

With North Carolina facing the toughest economic crisis since the Depression, there are no easy solutions to the budget crisis. I've made my priorities clear to the people and the General Assembly: 1) raise the revenue necessary to shield North Carolina's public school system and core services from massive cuts and 2) avoid raising across-the-board income taxes on working families in North Carolina.

The budget passed this week is far from perfect. In fact, it falls short in several areas that are critical to the future of our state:

- Although it no longer mandates class size increases, it regrettably still includes cuts to Local Education Agencies.
- Local agencies that provide mental health services face cuts, jeopardizing crucial services mental health services for patients across North Carolina.
- Our public safety system is not funded at an adequate level.
- And this budget does not include additional help for working families, such as an increase in the Earned Income Tax Credit.

But there are also some areas where we've made improvements to the budget.

- Children in grades K-3 won't see their class sizes increased, and K-3 teachers and teachers' assistants are protected.
- There are protections for at-risk students, especially those in low-performing schools.
- 87% of all North Carolina families are protected from an income tax surcharge.
- The budget adds contract acute care beds for mental health services in communities across North Carolina.
- There are investments for JobsNOW job training, more kids have access to health insurance, and there's some help for small businesses.

It's now several weeks beyond the budget deadline, and teachers go back to school in two weeks. And so, after this long difficult budget process, North Carolina must move forward. I signed this budget with reservation.

This year's budget battle is over, but the fight to protect and improve our schools does not end with a budget document. I will continue to do everything in my power to work with education leaders, the business community, and most importantly moms and dads to protect and strengthen our schools and give our children a brighter future.