NC Capitol Connection

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Mapping the Left's NC Environmental Network

BY SUSAN MYRICK

Environmentalists like to preach that all life is connected – and they themselves are connected in an intricate web of activists, groups, money and influence. Our revamped Mapping the Left site kicks off by unveiling a new network showing how these links are spread across North Carolina.

As we at Civitas created the Mapping the Left website (www.mappingtheleft.com), we knew that we needed some way to connect and visualize the massive number of groups, people and funders that make up the liberal/progressive Left in North Carolina. Since the website is all about connections, we came up with the concept of networks to illustrate the many links between individuals, groups, funders and still other clusters of organizations.

The Left made it easy for our website to describe those networks. They like to organize as membership groups and build coalitions. That allows them to shift personnel and money around, while providing them cover and obscuring their intentions. The first five networks were created from membership lists of key umbrella organizations: Blueprint NC, Democracy NC, Moral Monday, Together NC and HKonJ. All these networks were illuminated on Mapping the Left, but we knew we would need to include other networks that may not have a public label or high profile but that nevertheless work together to push North Carolina to the Left.



At a 'Moral March' in Raleigh in 2014.

The Environmental Network will be the second one that we have included outside those with a known membership or partnership list – the Z. Smith Reynolds Foundation network being the first.

Thus far, the Environmental Network is made up of 40 activist organizations. While the groups' mission statements vary – some focus on sustainable energy, water, air, or even acquiring private lands and converting them to government control – ultimately all of these groups push the climate change/ global warming political agenda. It is important to understand exactly what the Left wants when it comes to this agenda. It will impose rules and increase regulations on industry, farming, and land ownership that in the end will eliminate private ownership and development and result in "skyrocketing" fuel costs along with government takeovers. The Left believes that a dramatic increase in fuel prices will move people to demand alternatives to historically low-cost fossil fuels. They know that as long as fossil fuels stay cheap, their use will rise. Barack Obama forewarned us of his coming energy policy in a 2008 interview:

"Under my plan of a cap-and-trade system, electricity rates would necessarily skyrocket. Even regardless of what I say about whether coal is good or bad," he added. "Because I'm capping greenhouse gases, coal power plants, you know, natural gas, you name it — whatever the plants were, whatever the industry was, they would have to, uh, retrofit their operations. That will cost money. They will pass that money on to consumers."

In his book, "Ecology Wars: Environmentalism as if People Matter," Ron Arnold made a shrewd observation when he said, "… ecology is a science. Environmentalism is a social

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Civitas View

Central Planning Fails. Planners Claim Victory Anyway

BY BRIAN BALFOUR

In the face of defeat, claim victory anyway. That's what state bureaucrats in charge of meddling with North Carolina's economy are doing in light of a recent report that suggests their efforts have produced dismal results.

A recent WRAL news article examines the track record of two of NC's largest crony capitalist schemes, the Job Development Investment Grant and the One North Carolina Fund. These programs largely provide taxpayer-funded grants to designated companies based upon the number of jobs added to their payroll.

According to the report: "Almost 40 percent of the companies North Carolina officials announced would bring jobs to the state in exchange for taxpayer-funded incentive cash have failed to hire a single worker."

Moreover, only about half of the promised jobs actually materialized during the time period being examined. According to the article, "among the 194 projects completely closed out or past their ramp-up period, companies created 13,023 of the 26,330 announced jobs – about 49 percent."

Amazingly, in spite of the significant failure of the programs to live up to their own promises, the central planners running them barely stop short of deifying the bureaucrats doling out the political favors.

"We should be absolutely on our knees thanking God that we have 19,000-some jobs that we didn't have before but for the utilization of this program," state Commerce Secretary John Skvarla said.

Glory be to government.

But as bad as the actual reported figures look, things are even worse in reality. There are serious shortcomings with attempting to measure the impact of such programs.



First, how many of the people hired at the incentivized companies were merely bid away from their existing jobs? Because these positions require very specific workers with skills probably already in demand elsewhere, most were likely not filled by people from the unemployment line. In short, these may not represent new jobs at all, but merely a shift in employees from one business to another.

Second, what about the "unseen" impact of the political favoritism: that is, foregone opportunities? Companies responding to tax incentives utilize real, scarce resources that could be used elsewhere. How many investments and jobs are not created by other businesses because scarce resources are tied up by these incentivized companies? This represents a loss to the state's economy that simply cannot be measured but is very real.

Third, how many tax dollars are devoted to propping up these crony activities in the Commerce Department? A lot of state bureaucrats make a nice living off taxpayer dollars not only to pick and choose how these political favors are doled out, but also to administer the programs. For instance, this year's budget included a $200,000 increase in the administration costs of the One North Carolina Fund, as well as another $190,000 line item to provide funding for staff to support historic revitalization and federal tax credits. This is money removed from the economy that could be used for actual productive purposes.

Finally – and most important – are the issues of fairness and the culture of political patronage encouraged by such crony schemes. If the state is going to insist on taxing businesses, NC should tax them all the same. Doing otherwise tilts the odds in favor of the politically connected and distorts the allocation of scarce resources to less efficient patterns of production than would have emerged without the government interference. The result is less productivity and slower economic growth.

Moreover, by signaling a willingness to dispense political favors to select businesses, state bureaucrats and elected officials create a culture of political patronage that invites corruption.

This leads us to one final point. In spite of the lackluster jobs figures, these so-called economic incentive programs are indeed a success for the group they were actually designed to benefit: politicians and their cronies.

Politicians and bureaucrats get to attend ribbon-cutting ceremonies and send out press releases to brag about "doing something" to "create jobs." Lobbyists and corporate relocation consultants get paid to schmooze with elected officials and bargain with competing states for the largest taxpayer handout.

Meanwhile, however, taxpayers cough up more of their hard-earned dollars to finance this cottage industry of cronyism while home-grown businesses without political clout pay higher tax rates to help subsidize their competitors.

No wonder the bureaucrats claim victory regardless of the jobs figures. Economic meddling has never been about creating actual jobs or lifting living standards, but about centralizing power in the hands of the political class.■

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- ❑ Support Taxpayer Protection Act
- ❑ Reduction in state spending
- ❑ Elimination of pork/earmark spending
- ❑ Ending tax credits for special interests
- ❑ Make NC state taxes the lowest in the nation
- ❑ Requiring supermajorities for tax increases
- ❑ Elimination of Certificate of Need Laws (CON)
- ❑ Lowering health care costs by increasing supply
- ❑ Ending state control of medical service supply
- ❑ Eliminating withholding union dues from state workers at taxpayer's expense
- ❑ Establishing term limits for NC state legislators
- ❑ Putting limits on session length for NC Legislature (Session Limits)
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ESAs Serve Arizona Families Well

BY JONATHAN BUTCHER AND LINDSAY BURKE

Arizona resident Alexa Bloom has a master's degree in special education instruction, so she knew her son, Julian, was going to need a flexible approach to learning. When Julian was just 18 months old, doctors diagnosed him with autism and a severe sensory and auditory processing disorder. "He would need to be in the maximum restrictive environment in a traditional school," Alexa says.

But that's not what she wanted for him. Now that Julian is entering second grade, Alexa is using an education savings account (ESA) to pay for personal tutors, educational iPad applications to use alongside their curriculum, and art and music specialists to help Julian.

"I'm so excited about it. Months before we got the card I was planning what curriculum I was going to teach," Alexa says. "ESAs are something that Arizona is getting right when it comes to education."

Just as children need a pediatrician and, a dentist, and, in some cases, even a physical therapist for their health, they also may need a tutor, an educational therapist, and online classes for their education. Moreover, new learning experiences require flexible options to pay for these services.

In 2013, the Friedman Foundation for Educational Choice conducted the first study of Arizona families' purchases with Empowerment Scholarship Accounts. The study found approximately 34.5 percent of Empowerment Scholarship Account recipients use their funds for multiple learning experiences. This means that not all parents using an ESA for their child are just looking for a new school. Some want to educate their child at home with a combination of personal tutors or online lessons. While one student may succeed with a certain textbook, another needs a different set of materials.

The key is that with Arizona's accounts, parents can make these decisions — and they are doing so.

In forthcoming research from the Friedman Foundation for Educational Choice, we looked at ESA data from the Arizona Department of Education from the last couple years and found that while 83 percent of Empowerment Scholarship Account money spent was used for private school tuition, parents still spent money on tutoring (7 percent of all money expended) and educational therapy (5 percent of all expenses), among other uses.

In fact, 28 percent of accountholders spent their funds on multiple educational products and services, similar to the findings from the 2013 study.

In addition, the data allow policymakers to see what is happening with taxpayer money directed to a child's education. Instead of Byzantine school district budget spreadsheets based on complicated projections of student enrollment, ESA data provide a dollar-for-dollar report on how parents are educating their children using an account. Reports using data such as these will help prevent fraud and provide a transparent way to lawmakers and taxpayers to monitor the accounts.

Customization continues to play a major part in the story of savings account use among families. Even though most families are using the accounts in part to pay for private school tuition, the findings contained in our dataset reveal that tuition is not the only thing parents are using their child's account to afford. ESAs are functionally different from private school scholarship programs.

Moreover, the findings suggest that ESAs do not become vouchers over time. Families take advantage of the flexibility provided through the unique structure of ESAs to access a variety of learning opportunities.■

Jonathan Butcher is education director at the Goldwater Institute, and Lindsey Burke is the Will Skillman Fellow in Education Policy at The Heritage Foundation. This article originally appeared in the Arizona Capitol Times.



Monthly Petition

Education Savings Accounts Petition

to

Support Giving Parents the Opportunity to Meet the Educational Needs of Their Children

I support the creation of Education Savings Accounts (ESAs) for North Carolina families. ESAs allow parents to use state funds — the funding parents support with their own tax dollars -- to create a personal account to pay for K through 12 education expenses, including tuition, tutoring, testing fees, and books. In other words, ESAs put parents in charge of how money is spent on their child's education. I urge North Carolina's educational leaders to support an ESA program here.

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MTL: The Environmental Network

CONTINUED FROM PAGE 1

movement." We should also add that environmentalism is a political movement as well.

The political influence of groups in the Environmental Network can be seen when Congress and the legislature are in session, during election season, and in the courtroom as they attempt (with considerable success) to change laws through the court system.

And that political impact isn't limited to the ordinary channels of government, for some choose to adopt more radical tactics. For example, 10 of the Environmental Network groups belong to the Blueprint NC network. The Blueprint network is comprised of the members (past and present) of Blueprint NC, the coordinating hub for the radical/liberal Left that is generally credited with the strategy memo in 2013 that called for activists to "cripple" North Carolina's Republican leaders and "eviscerate the leadership and weaken their ability to govern."

Nor are these necessarily tiny groups running on shoestring budgets. In North Carolina, in a 10-year period (2003–2013) more than $37 million has been funneled to 27 of those activist groups. Of that, the Z. Smith Reynolds Foundation can be credited with giving more than $14 million to North Carolina groups whose mission is to stop global warming or, as they are more likely to say these days, "climate change." The role that foundation plays in the environmental movement is significant since we know it is the primary funder and organizer of the progressive movement in North Carolina.

Other organizations also play prominent roles. Groups such as the Natural Resources Defense Council (NRDC), Southern Environmental Law Center (SELC), Sierra Club and NC WARN are overtly political and work in North Carolina's elections to defeat conservatives while promoting candidates on the Left side of the aisle. Some of the groups are on the airwaves now, already pushing their radical agenda for the 2016 presidential election. Other groups, such as local riverkeeper organizations, quietly push their agenda and call for extreme regulations on family farms that could put many of them out-of-business.

Then there are groups such as California-based Citizens' Climate Lobby (CCL) that have no discernable connection to North Carolina but somehow joined with the radical elements of the Left for the Moral Monday protests. Among CCL's claims is the wild charge that global warming can be blamed for the "mass extinction of animal species because they cannot move fast enough or adapt soon enough to the changes in the habitat." This type of outrageous claim is typical of the groups in the Environmental Network, made without proof or with ever-increasingly questionable data.

"Today's extreme environmental agenda is the essence of today's political liberal Left."

Today's extreme environmental agenda is the essence of today's political liberal Left. Their policies seek to take away our freedoms – speech, property, and the ability to live one's life as we see fit without government interference. Shining the light on North Carolina's political environmental groups will expose their extreme agendas of government expansion and control. We invite you to explore this network, and the rest of Mapping the Left, and we think you'll see what we mean.■

Redesign Shines Even Brighter Spotlight on Left

BY SUSAN MYRICK

If you're a frequent visitor to Mapping the Left (mappingtheleft.com) you have watched the website go through a transformation in the last few weeks. Now, the look is new and mappingtheleft.com has been redesigned with advanced capabilities. You will notice faster and more powerful, yet simple, searches, updated data, profiles and new photos. We've even added a media gallery where you will find flow charts and other images.

It has been barely nine months since we rolled out the original version of Mapping the Left. The website's color scheme was basic and stark black and white to symbolize to the stark difference between the liberal-Left in North Carolina and the values and traditions of the majority of the state's citizens. With the earlier version, we succeeded in creating a website that revealed the vast network of left-wing nonprofit advocacy groups that for decades had wielded an alarming amount of power in the media, state politics, and government. We were able to illuminate the way they worked together, both in loose coalitions and organized networks, to influence and control public policy. The new website does all this but adds power and finesse with a new look.

And whether you have used the site before or are new, the website's changes will make it easier for you to find out what liberal and progressive nonprofit groups are up to, even as we have kept the great original features of the website. For instance, the option to visualize connections between groups, funders, people and networks has been refined, and now it includes a simple search and a feature to allow simple downloads of the resulting images. Even though Mapping the Left is very mobile-friendly, we are excited about the Mapping the Left app that will be available in the coming weeks and will make your research via mobile technology easier.

Moreover, the changes won't stop here. When we understood the dynamic of the liberal-Left in North Carolina – how the people and the groups flow from one position and one mission to another as the political landscape changes – we realized that Mapping the Left would never be a finished work. We've seen in the last several months the number of groups it tracks grow from 140 to over 170. The site's listing of the number of individuals employed and serving on the boards of the massive web of groups that work on the liberal/progressive cause has grown from 1,800 to a whopping 2,788. Some of this growth can be attributed to four new networks that in coming weeks will be added to the seven networks already on the site. These networks will all make it easier to connect all the groups, funders and people in Mapping the Left.

Liberal groups come and go. Alliances shift and reform. But Mapping the Left is here to follow the dynamics of the progressive movement and show its intricate and ever-changing connections. Mapping the Left will continue to combine data and on-going stories about the organizations, the people and the funders that make up the radical Left in North Carolina.

While there are many changes and additions to mappingtheleft.com, what hasn't changed is hardly surprising – the relentless march of North Carolina's progressive Left.■



North Carolina's Unknown Tax Cut Bonanza

BY BRIAN BALFOUR

In 2013, North Carolina's unemployment insurance (UI) program was in terrible shape. Like most states, North Carolina borrowed funds from the federal government to cover increased unemployment benefits during the Great Recession. The Tar Heel State owed Washington $2.75 billion. As a result, the state's employers were being hit with stiff federal UI tax hikes.

Making matters worse, North Carolina was still experiencing unemployment rates that were exceeding national averages. To help kick-start the state's recovery, North Carolina legislators passed historic state income tax cuts that were estimated to generate $2.4 billion in savings over five years.

While reams of articles, studies and analysis have been devoted to those reforms, I bet you haven't heard a word about another tax cut that has already saved North Carolina's economy roughly half a billion dollars, and will cut taxes by an estimated $700 million annually during the next four years.

These sizeable savings can be traced back to North Carolina's early repayment of the UI funds borrowed from the federal government.

Reforms to the state's unemployment benefits in 2013 included bringing the maximum amount and duration of benefits in line with those of neighboring states. These moves also triggered the cutoff of long-term federal UI benefits being moved up by six months.

"Those changes brought savings that enabled the state to pay off the feds by May of this year."

Those changes brought savings that enabled the state to pay off the feds by May of this year. Without the changes, North Carolina would not have paid off the debt until 2020.

Predictably, however, the reaction from the media and talking heads was fierce and uniformly negative. For instance, The New York Times' Paul Krugman declared the reforms to be part of a "war on the unemployed."

Supporters, on the other hand, pointed out that reducing the UI benefits would alter the incentives facing the unemployed, tipping the scales on the margins in favor of returning to work versus staying on the unemployment rolls and waiting for more ideal job opportunities that may never materialize.

Ironically, none other than Krugman himself in his 2010 economics textbook agreed. "Public policy designed to help workers who lose their jobs can lead to structural unemployment as an unintended side effect," wrote Krugman, explaining that granting more generous benefits "reduces a worker's incentive to quickly find a new job."

So what were the actual results? Since the UI reforms, North Carolina has added jobs at a rate higher than neighboring states and the national average.

Moreover, because of the early debt payoff, employers will save more than $2.5 billion over the next four years – a huge relief that frees up money for job creation and capital investment that will lift wages.

Under the debt repayment plan drawn up by the feds, North Carolina's job creators would have faced increasing federal unemployment tax rates, with a final payoff date as late as 2020. UI tax costs per worker on businesses would have tripled by 2019, draining hundreds of millions in funds annually that otherwise could have been reinvested in the businesses to create jobs. The interest payments alone would have totaled close to half a billion dollars.

Instead, due to the reforms, the federal UI tax hikes were halted last year and dropped back to standard rates again this year after the debt was paid off.

Moreover, the UI reforms have helped the Employment Security Commission build up reserves in the UI Trust Fund to nearly $750 million, which is expected to reach $1 billion by the end of the coming winter. That in turn likely will speed up further savings under a newly revised state law.

Previously, a 20 percent surtax would be added on to the UI tax as long as the UI Trust Fund balance stayed below $1 billion as of Aug. 1. But Senate Bill 15, ratified in September, pushed back the deadline to March 1 – providing enough time for reserves to reach the $1 billion threshold and thus making the surtax suspension applicable to 2016. This would generate another $240 million in tax savings for NC employers next year alone.

Keep in mind that, without the 2013 UI reforms and the resulting early debt payoff, the $1 billion threshold likely would not have been reached for another five years or more, potentially costing job creators another $1.2 billion in taxes.

And as employers either retain the additional UI tax savings or use them to invest in job creation, more tax revenue will flow to the state's General Fund. This helps state income and sales taxes remain low.

So it's such a shame North Carolina's 2013 unemployment insurance reforms, which stirred up a lot of controversy at the time, have drawn so little attention since – and why it's time more people hear about North Carolina's other tax cuts.■

A version of this article was published in the Fayetteville Observer.

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Voters View Hillary vs. Five GOP Contenders

BY CIVITAS STAFF

The latest Civitas poll reveals how registered NC voters view selected Republican presidential hopefuls when pitted against former Secretary of State Hillary Clinton on a presidential ballot. The same poll asked voters for their unprompted one-word responses when they heard the names "Donald Trump" and "Hillary Clinton."

"Our latest poll is a good reminder that North Carolina remains a possible battleground state," Civitas President Francis De Luca said. "That's why we can expect the major presidential candidates to visit the state between now and the March primary election."

The questions (totals may not equal 100 percent due to rounding):

If the election for president were being held today and you had to make a choice, for whom would you vote if the candidates were :

Republican	Democrat	Undecided	Refused	
43%	47%	7%	4%	Donald Trump, the Republican, and Hillary Clinton, the Democrat?
50%	40%	8%	2%	Ben Carson, the Republican, and Hillary Clinton, the Democrat?
45%	41%	10%	4%	Jeb Bush, the Republican, and Hillary Clinton, the Democrat?
47%	42%	9%	3%	Marco Rubio, the Republican, and Hillary Clinton, the Democrat?
42%	44%	11%	3%	Ted Cruz, the Republican, and Hillary Clinton, the Democrat?
45%	42%	11%	2%	Carly Fiorina, the Republican, and Hillary Clinton, the Democrat?

In the following question, respondents were asked, without prompts or suggestions, to give their responses. Their answers are grouped by answer type for convenience. The top five categories are listed below.

What single word comes to mind when you hear the name "Donald Trump"?

14%	Narcissist/Self-Centered/Arrogant/Pompous
13%	Clown/Joke/Buffoon
10%	Ignorant/Idiot/Moron
6%	Jerk/Bully
6%	Annoying/Obnoxious/Loud/Big Mouth

What single word comes to mind when you hear the name "Hillary Clinton"?

27%	Dishonest/Untrustworthy/Deceiving/Liar
11%	Dislike Her (general)
8%	Good/like Her (general)
6%	Strong/Hard Worker/Determined
6%	Crook/Corrupt/Criminal

In state politics, the same poll looked at how voters viewed a gubernatorial race between Republican Gov. Pat McCrory and Democratic Attorney General Roy Cooper.

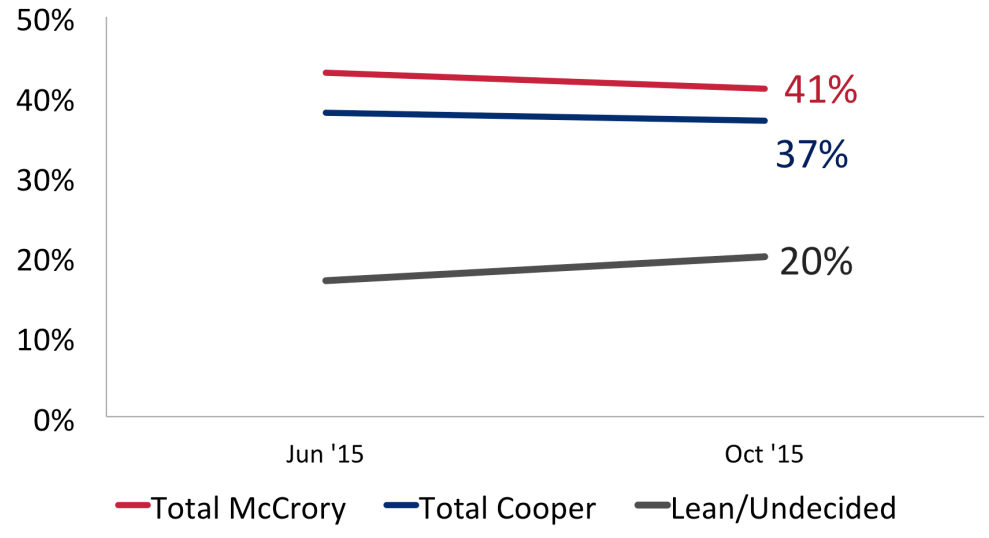
Asked whom they'd vote for if the gubernatorial election were today, 41 percent picked McCrory, 37 percent chose Cooper, and 20 percent were undecided, with some of those leaning toward one of the candidates.

In contrast to some other recent polls, McCrory had positive ratings in the Civitas poll. Asked if they approved of the job the governor was doing, 53 percent approved, and 39 percent disapproved. Cooper's job approval rating was 49 percent favorable, 15 percent unfavorable, and 37 percent didn't know.

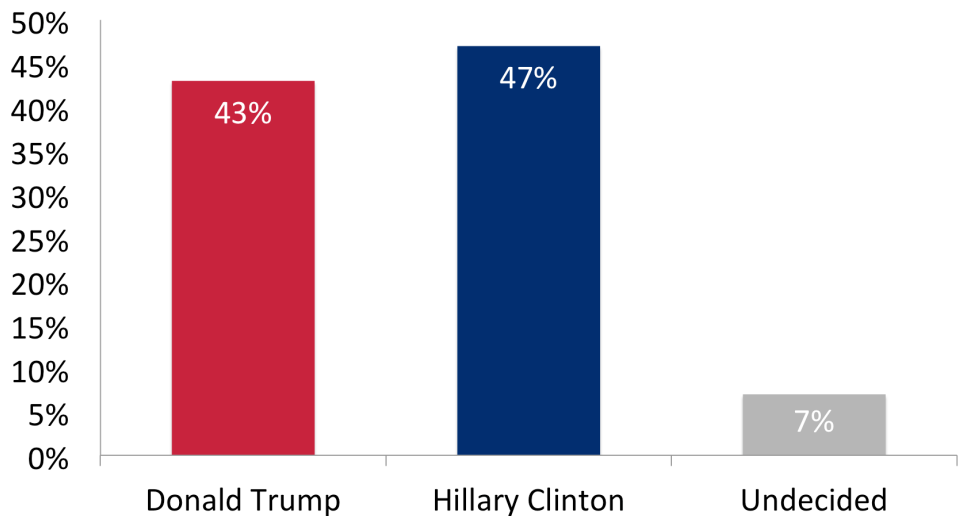
The poll surveyed 600 registered North Carolina voters, with 30 percent contacted on their cell phones. The margin of error is plus/minus 4 percent. The survey was taken Sept. 28-30.■

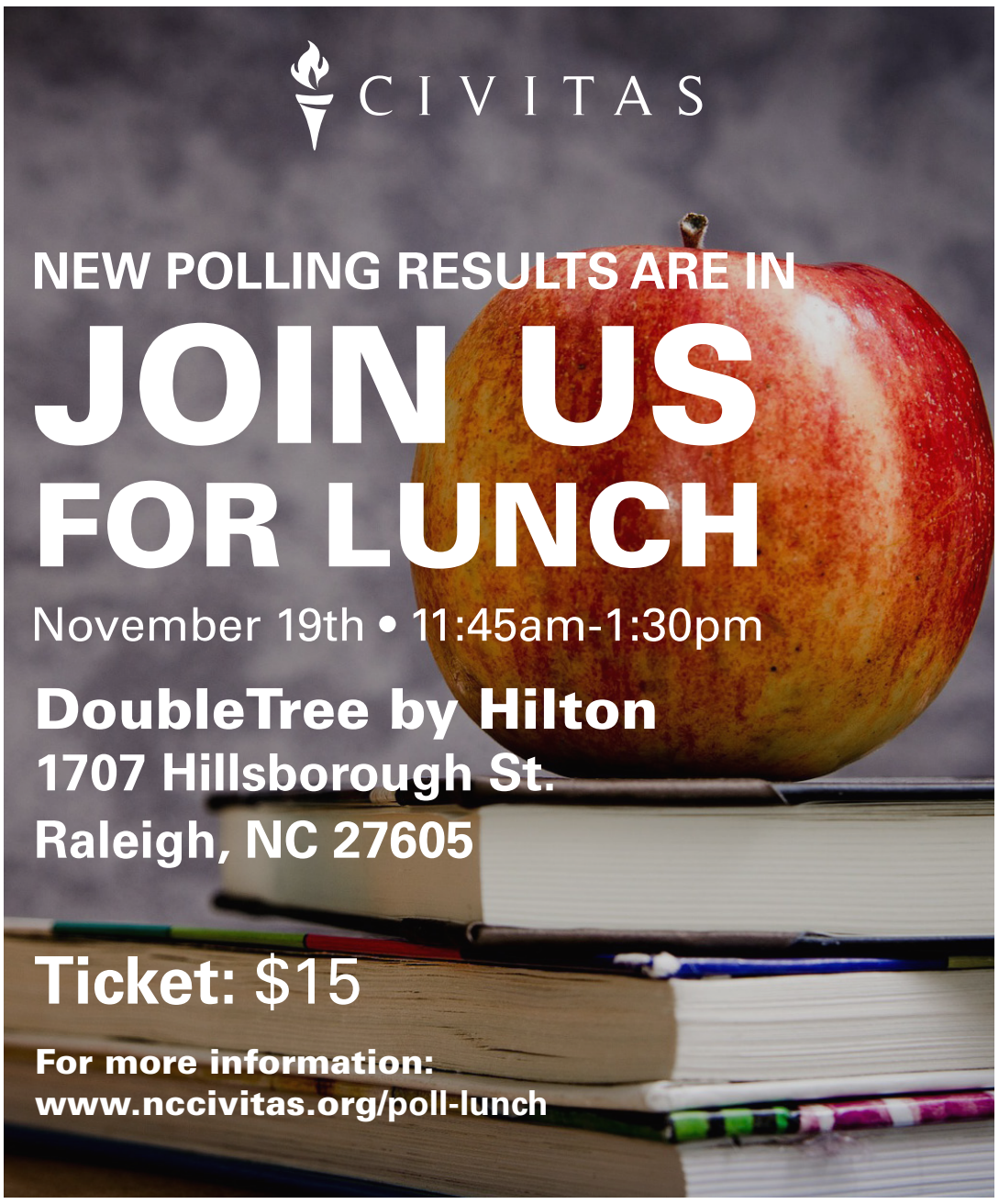
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If the election for North Carolina Governor were being held today, for whom would you vote if the candidates were: Pat McCrory, the Republican, and Roy Cooper, the Democrat?



If the election for president were being held today, and you had to make a choice, for whom would you vote if the candidates were Donald Trump, the Republican and Hillary Clinton, the Democrat?





CLF Joins Case Defending Religious Rights of Magistrates

BY CIVITAS STAFF

In October, the Civitas Institute Center for Law and Freedom (CLF) filed a notice of appeal in Breedlove v. AOC.

The question presented: Can the North Carolina Administrative Office of the Courts (AOC) be held responsible for violating the constitutional rights of magistrates who are trying to exercise their religious freedoms?

Following federal rulings finding state bans on same-sex marriage unconstitutional, the AOC sent out directives to North Carolina magistrates and other court officials informing them that a magistrate could not refuse to participate in a same-sex marriage for any reason, even if doing so violated a magistrate's sincerely held religious beliefs. The directives further stated that if a magistrate refused to perform a same-sex marriage, he or she could face discipline, removal from office, and even criminal prosecution.

As a result of these directives, and months before the passage of a state law allowing judicial staff to opt out of performing same-sex marriages, Gilbert Breedlove and Thomas Holland, magistrates in Swain and Graham counties, respectively, resigned.

"Same-sex marriage is the law of the land, and we are not questioning that in this lawsuit," CLF staff attorney Elliot Engstrom said. "Rather, our focus is on whether a government agency can exert this kind of authority over state personnel, and then completely shirk any sort of responsibility for the result."


Elliot Engstrom

Engstrom joins attorney Ellis Boyle, who has been prosecuting the plaintiffs' case since the initial filing in April.

"My clients and I are both very pleased that CLF has been so willing to jump in and help," Boyle said. "Ultimately, our goal is to obtain a ruling from our state's appellate courts confirming that religious liberties enjoy substantial protections under the North Carolina Constitution. State employees should not have to check their constitutional liberties at the door every day when they go to work. This is a struggle to protect every citizen's religious freedoms."

Breedlove differs substantially from the recent situation in Kentucky involving Rowan County clerk Kim Davis. There, a government official refused to issue same-sex marriage licenses due to her religious beliefs.

"Our clients were not trying to restrict any person's lawful access to marriage licenses or ceremonies," Engstrom said. "They simply sought a reasonable accommodation to have some other statutorily authorized officiant participate in all marriage ceremonies because they could not participate in a same-sex ceremony for religious reasons. The AOC refused to offer such an accommodation and instead told our clients that failure to obey the directives could result in criminal prosecution."■

Arthur Brooks: Nurture the Conservative Heart

BY MATT CAULDER

Conservatives must learn to show Americans the moral values underlying the ideas and policies of the freedom agenda, Arthur Brooks, president of the American Enterprise Institute, told a gathering of at least 60 people Wednesday at an event in Charlotte, sponsored by Civitas. Brooks was speaking about his New York Times bestseller The Conservative Heart, which gives directions for how to make the case for your conservative beliefs from a compassionate viewpoint.

"The Conservative Heart is a manual for how to make the case for your values, and not just your political values but your personal values and your moral values," Brooks said. "It's incredibly important to remember that if people don't understand what is written on your heart they're not going to follow you, you're not going to give them a reason to do that, so I wrote The Conservative Heart so people of strong convictions could reach out to people who are maybe persuadable, maybe even hostile, but are looking for something a little different and are willing to think for themselves."

Brooks said at the luncheon that conservatives should always fight for people, and not against things as they have done in the past.

He said that conservatives have the best system that has helped the most people worldwide – the free enterprise system – but they need to learn to share the benefits of the system for people of all income levels.

"My view is that the free enterprise system is the best system to give the most people the most productive and dignified life potential," he said. "If we can remember that the free enterprise system is there not to make people rich but to give people independence, to give them earned success, we will win the debate when people see what is written on our hearts and we will lift people up."

Brooks also said that the current government safety net programs have handicapped the indigent, trapping them at a level where their needs are met but they are not able to lift themselves out of that situation.■



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2016 Races: Cooper and Ross In, but Cowell Out

BY MATT CAULDER

State Attorney General Roy Cooper in October went to Nash County to officially announce his candidacy for the governor's mansion in 2016. He announced his run to unseat Republican Gov. Pat McCrory at Nash Community College. Cooper was officially the first Democrat to join the fray, but his candidacy came as no surprise.

Cooper touted his rural upbringings, speaking about growing up farming in Rocky Mount. He also served in the General Assembly before winning election for attorney general 14 years ago.

"That's why today I am announcing that I am a candidate for governor of North Carolina," Cooper said. "You know what, it's time for a governor who believes that we should measure our state by the success of regular working folks."

Cooper said McCrory has found ways to help big businesses but not help teachers, college students and the middle class. "It's time for everyone, not just the select few, to experience the rewards of our improving economy."

NC treasurer won't seek re-election

Janet Cowell, state treasurer, announced last month that she will not seek re-election or any other elected position in 2016. Early on Cowell was looked at as a possible Democrat challenger to McCrory, but she quashed those rumors early on. Cowell has served as treasurer since 2008. As a holder of a statewide office, she was also looked at as a possible challenger to Republican U.S. Sen. Richard Burr but decided against running.


Janet Cowell

Cowell has not outlined her post-state government plans yet.

The North Carolina Republican Party released a statement praising Cowell for her public service, while also saying the GOP will aggressively pursue the open seat.

Ross to challenge Burr

At midnight, on a busy political night, ex-state Rep. Deborah Ross released a video announcing her candidacy to unseat Burr next year.

Ross announced her campaign Oct. 13 in a nearly three-minute video posted on YouTube, in contrast to the kind of big event many candidates put on.

It was unveiled in the wake of Cooper's gubernatorial campaign announcement and while much of her party's attention was on the first Democratic presidential debate in Las Vegas.

Ross, an attorney, left her seat in the House in 2013 to take a position with Triangle Transit, now rebranded as GoTriangle, as general counsel, but she recently left that job in preparation for this campaign.

She has also served as the head of the state American Civil Liberty Union (ACLU) Ross spoke about her values, including service to country and community, and a history teacher who instilled in her a love of the tenets that the country was founded on.

Ross said she is running for Senate because she understands what North Carolinians want – an elected leader who puts people first.

"I was raised to believe that you can do anything, be anything, but too many people in North Carolina today feel that is harder and harder," she said.

"We all want a government that puts people first; that's why I am running for the U.S. Senate," she said.

Ross earned her bachelor's degree from Brown University in 1985 and her law degree from the UNC at Chapel Hill School of Law in 1990.■

Legislation Will Impact Key Issues in North Carolina

BY MATT CAULDER

Key actions by the General Assembly in this year's session included:

Budget: After months of delay, prior to being elected, to the legislature. the House and Senate agreed to a $21.74 billion spending plan that represents a 3.1 percent increase over the last budget. The budget also ended the annual transfer of $216 million out of the state Highway Fund, leaving that money for road resurfacing. The spending plan also cut income taxes, which will drop from 5.75 percent to 5.499 percent.

Bond proposal: The $2 billion bond proposal passed this year will let voters decide in March whether or not the state can sell bonds to pay for improvements and new construction across the state for universities, parks and more.

Medicaid reform: The Legislature came to an agreement on Medicaid reform that shifts to a patient-based system over a procedure-driven one. The change is expected to push the risk off of the state and onto private entities.

Incentives approved: Gov. Pat McCrory's top incentives project, the NC Competes plan, was approved. The law directs $20 million in funding to the Job Development Investment Grant, which previously got $15 million in funding, but for special projects the cap would be increased to $35 million in a single year.

Abortion waiting period extension: The Women and Children's Protection Act of 2015 included an extension to the state's 24-hour waiting period before women can get abortions, except in emergency situations, pushing it out to 72 hours.

Renewable tax credits will sunset: These tax credits, which had channeled more than $200 million in tax credits to alternative-energy companies, will expire on Dec. 31.

Gun bill watered down: What started out as an aggressive Second Amendment bill was systematically stripped down in the Legislature until the final product only distantly resembled the original.■



Bill OKs Industrial Hemp

9/29/15
Senate
Concurred In H/Com Sub
9/29/15
House
Passed 2nd Reading
Senate Bill 313, which started off as a license plate bill, will authorize an industrial hemp program within the state of North Carolina and establish the Industrial Hemp Commission.

INDUSTRIAL HEMP. S 313

SUPPORT

Senate Republicans (29)
Alexander; Apodaca; Barefoot; Berger (Chair); Bingham; Brown; Curtis; Daniel; Davis J.; Gunn; Harrington; Hartsell; Hise; Jackson B.; Krawiec; Lee; McInnis; Meredith; Pate; Rabin; Rabon; Randleman; Sanderson; Soucek; Tarte; Tillman; Tucker; Wade; Wells

Senate Democrats (13)
Blue; Bryant; Clark; Ford; Foushee; Jackson J.; Lowe; McKissick; Robinson; Smith; Stein; Van Duyn; Waddell

House Republicans (60)
Adams; Avila; Bell J.; Bishop; Blackwell; Blust; Boles; Bradford; Brawley; Brody; Brown B.; Brown R.; Bryan; Bumgardner; Burr; Cleveland; Collins; Conrad; Daughtry; Davis; Dollar; Elmore; Faircloth; Fraley; Hardister; Hastings; Holloway; Horn; Howard; Iler; Jeter; Johnson L.; Jones; Jordan; Langdon; Lewis; McElraft; McGrady; Malone; Martin S.; Millis; Pendleton; Pittman; Riddell; Robinson; Ross; Saine; Setzer; Shepard; Speciale; Stam; Stevens; Szoka; Tine; Torbett; Watford; West; Whitmire; Yarborough; Zachary

House Democrats (41)
Adcock; Ager; Alexander; Bell L.; Brisson; Brockman; Cotham; Cunningham; Earle; Farmer-Butterfield; Fisher; Floyd; Gill; Goodman; Graham C.; Graham G.; Hall D.; Hall L.; Hanes; Harrison; Holley; Hunter; Insko; Jackson; Johnson R.; Lucas; Luebke; Martin G.; Meyer; Michaux; Moore R.; Pierce; Queen; Richardson B.; Richardson W.; Salmon; Terry; Turner B.; Waddell; Willingham; Wray

OPPOSE

Senate Republicans (1)
Brock

Senate Democrats (1)
Davis D.

House Republicans (7)
Arp; Catlin; Dixon; Dobson; Hurley; Presnell; Turner R.

House Democrats (0)
None

NOT VOTING
House
Baskerville (D); Ford (R); Moore T. (R); Warren (R)

EXCUSED ABSENT
Senate
Barringer (R); Cook (R); Newton (R); Rucho (R); Smith-Ingram (D); Woodard (D)

House
Carney (D); Hager (R); Hamilton (D); Lambeth (R); McNeill (R); Reives (D); Schaffer (R); Steinburg (R)

SPONSORS Bingham (R) **ROLL CALL** S- 743 H- 1054

Bill Prohibits Sanctuary Cities

9/29/15
House
Concurred In S/Com Sub
9/28/15
Senate
Passed 3rd Reading
Key provisions of House Bill 318 provide that certain consulate or embassy documents may not be used to determine a person's identification or residence for governmental or law enforcement purposes, and also prohibits the adoption of sanctuary city status.

PROTECT NORTH CAROLINA WORKERS ACT. HB 318

SUPPORT

Senate Republicans (27)
Alexander; Apodaca; Barefoot; Berger; Bingham; Brock; Brown; Curtis; Daniel; Davis J.; Gunn; Harrington; Hise; Jackson B.; Krawiec; Lee; Meredith; Pate; Rabin; Randleman; Sanderson; Soucek; Tarte; Tillman; Tucker; Wade; Wells

Senate Democrats (1)
Stein

House Republicans (70)
Adams; Arp; Avila; Bell J.; Bishop; Blackwell; Blust; Boles; Bradford; Brawley; Brody; Brown B.; Brown R.; Bryan; Bumgardner; Burr; Cleveland; Collins; Conrad; Daughtry; Davis; Dixon; Dobson; Dollar; Elmore; Faircloth; Ford; Fraley; Hager; Hardister; Hastings; Holloway; Horn; Howard; Hurley; Iler; Johnson L.; Jones; Jordan; Langdon; Lewis; McElraft; McGrady; McNeill; Malone; Martin S.; Millis; Moore T. (Speaker); Pendleton; Pittman; Presnell; Riddell; Robinson; Ross; Saine; Setzer; Shepard; Speciale; Stam; Steinburg; Stevens; Szoka; Torbett; Turner R.; Warren; Watford; West; Whitmire; Yarborough; Zachary

House Democrats (0)
None

OPPOSE

Senate Republicans (3)
Hartsell; McInnis; Rabon

Senate Democrats (14)
Blue; Bryant; Clark; Davis D.; Ford; Foushee; Jackson J.; Lowe; McKissick; Robinson; Smith; Smith-Ingram; Van Duyn; Waddell

House Republicans (0)
None

House Democrats (43)
Adcock; Ager; Alexander; Baskerville; Bell L.; Brisson; Brockman; Cotham; Cunningham; Earle; Farmer-Butterfield; Floyd; Gill; Goodman; Graham C.; Graham G.; Hall D.; Hall L.; Hamilton; Hanes; Harrison; Holley; Hunter; Insko; Jackson; Johnson R.; Lucas; Luebke;Martin G.; Meyer; Michaux; Moore R.; Pierce; Queen; Richardson B.; Reives; Richardson W.; Salmon; Terry; Turner B.; Waddell; Willingham; Wray

NOT VOTING
House
Jeter (R); Tine (R)

EXCUSED ABSENT
Senate
Barringer (R); Cook (R); Newton (R); Rucho (R); Woodard (D)

House
Catlin (R); Lambeth (R); Schaffer (R)

SPONSORS Cleveland (R) **ROLL CALL** S- 740 H- 1078

Bill Creates Party Committees

9/24/15
Senate
Conf. Report Adopted
9/24/15
House
Conf. Report Adopted
House Bill 373 moved North Carolina's primary election from May to March 15, 2016. Another provision allows for "affiliated party committees." These committees, run by state-level legislative leaders, could raise their own funds.

ELECTIONS **HB 373**

SUPPORT

Senate Republicans (30)
Alexander; Apodaca; Barefoot; Bingham; Brock; Brown; Cook; Curtis; Daniel; Davis J.; Gunn; Harrington; Hartsell; Hise; Jackson B.; Krawiec; Lee; McInnis; Meredith; Newton; Pate; Rabin; Randleman; Rucho; Soucek; Tarte; Tillman; Tucker; Wade; Wells

Senate Democrats (0)

House Republicans (45)
Adams; Arp; Bishop; Blackwell; Brawley; Brown B.; Davis; Dixon; Dobson; Dollar; Faircloth; Fraley; Hager; Hardister; Hastings; Horn; Hurley; Iler; Jeter; Johnson L.; Jones; Jordan; Langdon; Lewis; McElraft; McGrady; Malone; Martin S.; Pendleton; Presnell; Riddell; Robinson; Ross; Saine; Shepard; Stam (Chair); Steinburg; Szoka; Tine; Turner R.; Watford; West; Whitmire; Yarborough; Zachary

House Democrats (7)
Alexander; Brisson; Brockman; Floyd; Goodman; Waddell; Wray

OPPOSE

Senate Republicans (1)
Sanderson

Senate Democrats (12)
Blue; Bryant; Clark; Davis D.; Ford; Jackson J.; Smith; Smith-Ingram; Stein; Van Duyn; Waddell; Woodard

House Republicans (19)
Bell J.; Blust; Boles; Brody; Brown R.; Burr; Catlin; Collins; Conrad; Ford; Holloway; Howard; McNeill; Millis; Pittman; Setzer; Speciale; Stevens; Warren

House Democrats (30)
Adcock; Ager; Baskerville; Bell L.; Cotham; Cunningham; Earle; Farmer-Butterfield; Fisher; Gill; Graham C.; Graham G.; Hall D.; Hamilton; Harrison; Holley; Insko; Jackson; Lucas; Martin G.; Meyer; Michaux; R. Moore; Pierce; Queen; Richardson B.; Richardson W.; Salmon; Terry; Turner B.

NOT VOTING
House
Moore T. (R)

EXCUSED ABSENT
Senate (7)
Barringer (R); Berger (R); Foushee (D); Lowe (D); McKissick (D); Rabon (R); Robinson (D)

House (18)
Avila (R); Bradford (R); Bryan (R); Bumgardner (R); Carney (D); Cleveland (R); Daughtry (R); Elmore (R); Hall L. (D); Hanes (D); Hunter (D); Johnson R. (D); Lambeth (R); Luebke (D); Reives (D); Schaffer (R); Torbett (R); Willingham (D)

SPONSORS Riddell (R) **ROLL CALL** S- 722 H- 1036

New Law Bans 'Sanctuary Cities' in NC

BY MATT CAULDER

A law that forbids any North Carolina county or city from hampering local law enforcement from working with federal immigration officials was signed into law in late October by Gov. Pat McCrory.

"Each individual arriving here in a legal manner, following our laws, in search of a better life is a blessing to our state and to our country. We want to continue that strength of our great country, but in doing so, we must follow the law and not tie the hands of the men and women behind me," McCrory said at the signing, held at the Guilford County Sheriff's Office. "We're going to enforce the law and help our law enforcement officers protect our citizens."

House Bill 318 expands E-verify legal status verification for employment, affects requirements for state labor contracts, makes consulate documents not an acceptable form of identification in the state to prove residency, and bans sanctuary cities and counties in the state.

The bill was drafted in response to the nationwide uproar after the murder of Kathryn Steinle, allegedly by an illegal immigrant whom had been deported multiple times. Juan Francisco Lopez-Sanchez, a Mexican national, who was released by San Franciscan authorities earlier this year, was arrested following 32-year-old Steinle's shooting in the back at a San Francisco pier.

5 sanctuary cities in NC

Here in North Carolina there are at least five "sanctuary cities" – Asheville, Charlotte, Durham, Chapel Hill and Carrboro – that have passed resolutions outlining municipal policies about immigration violations.

The Asheville City Council, in 2013, unanimously passed a "Civil Liberties Resolution" that outlines policies in reference to dealing with illegal immigrants, or those suspected of being illegal aliens.

Under the policy, "The City of Asheville opposes any efforts to transfer federal immigration responsibility to state and local officials, since these proposals tax our already overburdened police department and damage relationships with immigrant communities."

A directive in the Charlotte-Mecklenburg Police Department outlines the law enforcement agency's stance on immigration issues.



The policy says that, "CMPD will not undertake immigration related investigations and will not inquire into the immigration status of persons encountered during police operations."

The policy does leave room for police officials to investigate the immigration status of suspected gang affiliates.

The town of Chapel Hill passed a resolution saying local police will not take illegal immigrants into custody based solely on their status as an illegal.

Carrboro has a similar policy.

Policies like Chapel Hill's and Carrboro's do leave room for illegal immigrants who are felons to be arrested, according to Lt. Josh Mecimore with the Chapel Hill Police Department.

Under the Chapel Hill's policy, those with felony deportation orders would be taken into custody for federal immigration authorities. Those with civil violations only, and who do not have felony criminal records, would be released.

Both Chapel Hill's and Carrboro's policies specify civil immigration violations, while Durham's policy stops city employees, including police officers, from investigating immigration status.

In 2003, Durham passed a resolution saying that the city supported the rights of all persons, regardless of their immigration status.

The resolution, which outlines the city policy but does not make statutory changes, said, "Durham has been a city that traditionally is open to and inclusive of all individuals and respects the rights of and provides equal services to all individuals, regardless of race, ethnicity, or immigration status."

Immigration violations are generally not criminal offenses, but civil ones, which means that deportation is a civil procedure, not a punitive one.■

Jobless Rate Dips Slightly in September

BY CIVITAS STAFF

The state's seasonally adjusted September unemployment rate was 5.8 percent, the same at it was last year at the same time, and decreasing 0.1 of a percentage point from August's revised rate, the North Carolina Department of Commerce has announced.

The national unemployment rate remained unchanged at 5.1 percentage points.

The number of people employed increased 3,670 over the month to 4,476,319 and increased 118,509 over the year, the department reported.

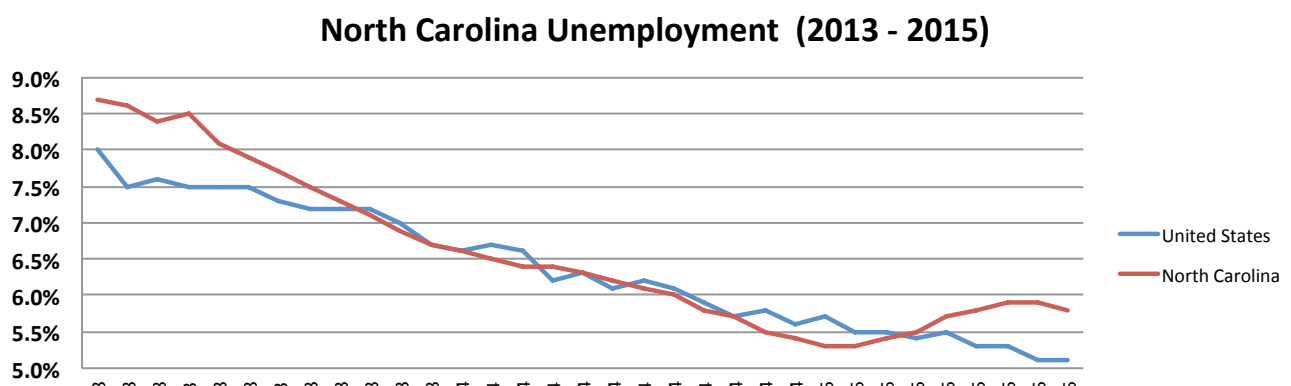
The number of people unemployed decreased 4,664 over the month to 276,072, and increased 7,090 over the year.

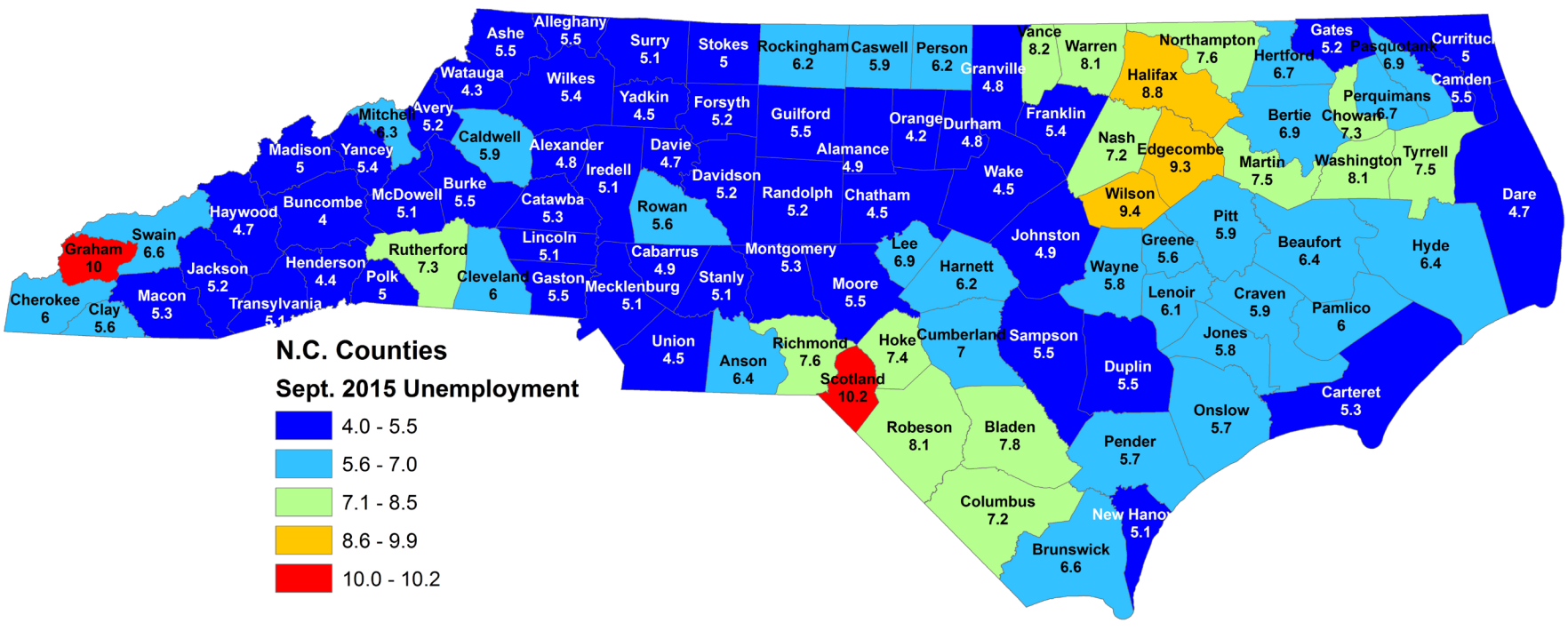
"Unemployment rates (not seasonally adjusted) fell in all 100 of North Carolina's counties in September."

Also in September, unemployment rates (not seasonally adjusted) fell in all 100 of North Carolina's counties. Scotland County had the highest unemployment rate at 10.2 percent; Buncombe County had the lowest at 4.0 percent.

All 15 of the state's metro areas experienced rate decreases. Among metropolitan areas, Rocky Mount at 8.0 percent experienced the highest rate. Asheville had the lowest rate at 4.3 percent.

The state's unemployment rate peaked at 11.3 percent through the first quarter of 2011, according to the federal Bureau of Labor Statistics.■





2008 - 2013 - 2015 N.C. Unemployment Rate Comparison

County	10-08	1-13	9-15	County	10-08	1-13	9-15	County	10-08	1-13	9-15	County	10-08	1-13	9-15
Alamance	7.1	10	4.9	Cumberland	6.8	11	7	Johnston	6.1	8.9	4.9	Randolph	6.7	11.1	5.2
Alexander	7.9	10.2	4.8	Currituck	3.6	10.5	5	Jones	6.8	10.7	5.8	Richmond	9.5	13.6	7.6
Alleghany	6.6	12.6	5.5	Dare	4.2	20.1	4.7	Lee	8.2	12.7	6.9	Robeson	8.1	13.9	8.1
Anson	9.5	12.8	6.4	Davidson	7.4	10.7	5.2	Lenoir	7.8	10.8	6.1	Rockingham	7.9	11.7	6.2
Ashe	6.3	13.8	5.5	Davie	6.9	9.3	4.7	Lincoln	7.2	10.8	5.1	Rowan	7.2	10.3	5.6
Avery	5.6	13.7	5.2	Duplin	5.9	10.6	5.5	Macon	5.3	13.3	5.3	Rutherford	8.7	14.7	7.3
Beaufort	7.3	11.8	6.4	Durham	5.4	7.9	4.8	Madison	5.7	10.1	5	Sampson	5.4	9	5.5
Bertie	7.5	13.5	6.9	Edgecombe	11.4	16.6	9.3	Martin	6.9	12	7.5	Scotland	11.7	17.8	10.2
Bladen	8.1	13.6	7.8	Forsyth	6.3	9.4	5.2	Mcdowell	8.1	11.9	5.1	Stanly	7	10.1	5.1
Brunswick	6.9	12.2	6.6	Franklin	6.7	9.6	5.4	Mecklenburg	6.6	9.7	5.1	Stokes	6.1	9	5
Buncombe	5.1	8.1	4	Gaston	7.7	11.1	5.5	Mitchell	7.7	15.5	6.3	Surry	8.3	11.1	5.1
Burke	8.6	11.6	5.5	Gates	5.2	8.3	5.2	Montgomery	8.3	11.1	5.3	Swain	5.5	19	6.6
Cabarrus	6.4	9.4	4.9	Graham	8.2	20.4	10	Moore	6.4	10.1	5.5	Transylvania	5	11.5	5.1
Caldwell	8.3	12	5.9	Granville	7	10.3	4.8	Nash	8.6	12.7	7.2	Tyrrell	6	13	7.5
Camden	5.4	9.4	5.5	Greene	7	9.8	5.6	New Hanover	5.4	10.4	5.1	Union	6	8.6	4.5
Carteret	5	10.6	5.3	Guilford	6.7	10.3	5.5	Northampton	7.7	12.1	7.6	Vance	9.8	13.8	8.2
Caswell	8.2	10.4	5.9	Halifax	9.7	14.7	8.8	Onslow	5.8	9.6	5.7	Wake	5	7.8	4.5
Catawba	7.9	11.6	5.3	Harnett	7.1	11.5	6.2	Orange	4.2	6.6	4.2	Warren	9.7	12.9	8.1
Chatham	5.5	7.5	4.5	Haywood	5.7	10.2	4.7	Pamlico	5.7	11.2	6	Washington	7.2	13.5	8.1
Cherokee	8.7	14.1	6	Henderson	5.1	7.9	4.4	Pasquotank	6.4	12.4	6.9	Watauga	4.1	9.5	4.3
Chowan	8.5	11.3	7.3	Hertford	6.6	11.5	6.7	Pender	6.4	11.5	5.7	Wayne	6.3	9.8	5.8
Clay	6	10.6	5.6	Hoke	6.3	9.7	7.4	Perquimans	6.7	11.1	6.7	Wilkes	8.2	11.7	5.4
Cleveland	8.5	11.3	6	Hyde	4.6	15.7	6.4	Person	7.3	11.1	6.2	Wilson	7.9	13	9.4
Columbus	8.1	13.8	7.2	Iredell	6.5	10.4	5.1	Pitt	7	9.9	5.9	Yadkin	6.1	10.1	4.5
Craven	6.2	10.8	5.9	Jackson	4.3	11.3	5.2	Polk	5	8.2	5	Yancey	7.2	13.8	5.4

Scandal

The Strange Saga of the 'Hemp Bill' in NCGA: Cronies, Ex-smugglers and a Spy

BY SUSAN MYRICK

Of the many bills the General Assembly just passed, the strangest might be Senate Bill 313 (Industrial Hemp.)

First, it is a great example of how legislation is rushed through in the final hours of an eight-month legislative session. It started out as a license plate bill for retired registers of deeds in March but mysteriously became "the hemp bill" Sept. 28.

Consider the following timeline:

Dec. 17, 2014: Articles of incorporation filed for the North Carolina Industrial Hemp Association, Inc. (NCIHA).

Jan. 30, 2015: Thomas Shumaker registers as executive director and Jason Deans as a lobbyist for NCIHA with the North Carolina secretary of state.

Jan. 30, 2015: Amanda Styron files as a lobbyist for NCIHA.

Aug. 18, 2015: Joshua Ryan Ehrich files as a lobbyist for NCIHA.

Sept. 10, 2015: Hemp, Inc. announces David Schmitt, COO of its subsidiary Industrial Hemp Manufacturing, has been elected to the NCIHA's board of directors.

Sept. 24, 2015: Johnny Tillett files as a lobbyist for NCIHA.

Sept. 28, 2015: SB 313 surfaces as a committee substitute and later that day passes second and third readings in the House.

Sept. 29, 2015: Senate passes motion to concur; bill ratified.

Guess what's missing? There were no committee hearings after the bill was reintroduced Sept. 28.

The bill passed in the House 101-7 and in the Senate 42-2.

Who pays?

The legislation also creates the five-member North Carolina Industrial Hemp Commission. The commission



is allowed to spend up to $200,000 a year for two staff members. A really interesting provision of the bill reads:

"The Commission shall not meet or undertake any of its powers and duties under this Article until it has obtained funding from sources other than State funds of at least two hundred thousand dollars ($200,000) to support operations of the Commission."

Research shows that research shows no other bill in recent memory called for the private funding of a regulatory body. Why does this bill do so? And who out there will be providing this money?

And, with funding being lined up, who would be likely to become a paid staff member?

A favorite would have to be Thomas Shumaker, the head of the nonprofit organization that organized the lobbying effort, who is also the son of a political insider.

His LinkedIn account says he was "on loan to the North Carolina Industrial Hemp Association, serving as Executive Director since January 2015." On loan, we gather, from Innovate Naturally, a venture whose general manager is Bob Crumley.

Crumley is a personal injury lawyer who ran for state attorney general in 2008. He employed Thomas Shumaker's father, Paul, as his consultant for the campaign. Paul Shumaker, according to State Board of Elections reports, was paid over $120,000 for his services.

Thomas Shumaker graduated from college in 2014. He also lists stints with the Thom Tillis campaign. In another bio found on Asheville Green Drinks, a networking site, we find that Shumaker attended NC State University, where he got his undergraduate degree in agriculture business with a minor in biology and "was involved with the Hemp Industry throughout college."

Who's behind Hemp, Inc.?

Finally, what about Las Vegas-based Hemp, Inc. whose COO is a member of the NC Industrial Hemp Association's board of directors?

According to its website, the company purchased the largest natural fiber manufacturing and processing facility in North America before May 2014. The company relocated the plant to a 70,000-square-foot warehouse in Spring Hope, NC.

A Hemp, Inc., news release, dated March 10, 2015, announced that "after months of waiting," the company had been given the go-ahead to proceed with the reassembly of its Temafa hemp processing line in Nash County, NC. The company's plans were to begin with harvesting and processing kenaf (Hibiscus cannibinus L, a hemp relative) and convert it to industrial hemp when it is legalized.

Hemp, Inc.'s CEO is Bruce Perlowin. From 1974 to 1984, Perlowin was known for organizing the largest drug smuggling operation in West Coast history. He was eventually arrested and served nine years of a 15-year sentence in federal prison.

Perlowin was co-founder, along with Don Steinberg, of Medical Marijuana, Inc. – the precursor to Hemp, Inc. Steinberg also spent time in federal prison for drug smuggling.

Also involved in the company is Svetlana Ogorodnikov, who was tried and convicted for espionage in 1985. Ogorodnikov, a KGB agent, seduced and flipped the first FBI agent ever to be charged with espionage – Richard Miller.

Ogorodnikov and Perlowin met while in prison, and later they married. She is one of Hemp, Inc.'s largest shareholders.

Maybe there was another bill that was stranger – that moved through with more stealth, with more insiders backing it, with odder provisions, and that seemingly might be a boon to a company featuring a former marijuana smuggler and a Russian femme fatale. But we doubt it.■

To read more about SB 313, go online to tinyurl.com/NC-Hemp-Bill.

Scandal is a regular column in *Civitas Capitol Connection* that will explore public corruption in NC Government.

Have a local corruption story?
Email corruption@nccivitas.org or call 919.834.2099.

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