The Charlotte Observer

600 S. Tryon St.

P.O. Box 32188

Charlotte, N.C. 28232

(704) 379-6300

January 3, 1990

Lowering the infant death rate is no mystery: Fewer babies would die if we spent more on medical care for poor women.

Study after study - regional, national, international - concludes that. Yet in North Carolina, the infant death rate has risen for two years straight. Preliminary 1988 figures rank North Carolina worst among the 50 states.

Who lobbies for poor women and children? ''To be just blunt with you,'' Rep. Dave Diamont told The Charlotte Observer, ''I don't get anybody calling me and asking me about the infant mortality rate. I get calls every week from somebody complaining about their unpaved road.''

The Observer decided last summer to ask about the Carolinas' infant mortality rates. We found:

- About 2,000 Carolinas infants die each year, most born too small and too soon to women who don't get enough medical care.
- Experts say every \$1 spent on prenatal care would save \$3.38 in expensive medical care for babies born too small.
- Neither Republican Gov. Jim Martin nor his predecessor, Democratic Gov. Jim Hunt, pushed infant mortality to the top of his agenda. Nor has the N.C. legislature given it high priority. Since our publication of the series, Gov. Martin has appointed a panel to address the problem, announcing: ''We cannot and will not let our babies continue to die.''

Enclosed is a reprint of our series ''From Cradle To Grave,'' which ran Nov. 26-28. We hope you find it powerful and thought-provoking. If you'd like more copies, write or call me at 704-379-6500.

Sincerely,

Rich Oppel Editor

FAUE TU

WINSTON-SALEM JOURNAL

JOE DOSTER
Publisher
JOE GOODMAN
Managing Editor

JON H. WITHERSPOON General Manager

FRED FLAGLER
Associate Managing Editor

JOHN D. GATES

Editorial Page Editor

INFANT MORTALITY RATE

Addressing a State Disgrace

Martin's proposal includes a

valid assumption that rising

teen-age pregnancy rates are

closely tied to the increase in

infant mortality.

Everybody loves kids, right?

Not necessarily. Political candidates still pose with babies and talk of their hopes for future generations when campaigning for office in this state, but once elected, they customarily have been less than generous in offering support and appropriating funds for programs benefiting their youngest constituents.

One result of such neglect was North

Carolina's ignominious last-place ranking when federal statistics were released in December comparing infant-mortality rates in the 50 states. As with a similar bottom-rung placement when the latest student-achievement test-

score comparisons were unveiled last fall, the state's embarrassment was only in degree. North Carolina did not look particularly attractive in the prior year's rankings, when it placed 46th in infant mortality and 49th in test scores. A plummet to last place does tend to attract attention, however. And the state's initial response to the infant-mortality problem appears, at first glance, to be much more promising than that given to the SAT debacle.

The politically fractured leadership of the North Carolina education establishment responded to the low test scores by pointing fingers and appointing committees. Fortunately, the shock of the news on infant mortality — a polite and clinical term that avoids the uglier impressions that come from talking about "dead babies" — jolted concerned state officials, from Gov. James G. Martin down, into acknowledging that politically motivated accusations and gravely voiced calls for more study would be in themselves only a euphemism for action.

Martin did appoint a formal task force on the issue last month, but he reminded the panel at its initial meeting Friday that, its ponderous official name notwithstanding, the mission of the Governor's Commission on Reduction of Infant Mortality would be to "focus on results, not reports."

The commission promptly divided itself into seven working subcommittees and unanimously endorsed Martin's major announcement — a pledge to take immediate administrative steps and seek

additional legislation when the General Assembly reconvenes in May to provide a \$16 million expansion of the state's Medicaid program with the goal of assuring prenatal and maternal care to any pregnant teen-ager who cannot other-

wise afford it. It is anticipated that the plan would help about 3,800 patients a

Martin's proposal includes a valid assumption that rising teen-age pregnancy rates are closely tied to the increase in infant mortality. Not coincidentally, researchers at the University of North Carolina School of Public Health also concluded last week that the staffing of family-planning and prenatal-care clinics throughout the state is "woefully inadequate."

The task force — and, eventually, the governor and the legislature as well — will ultimately have to address those issues in any sincere move to reduce the state's dismal average of 12.7 infant deaths for every 1,000 live births.

And in doing so, they will have to

And in doing so, they will have to venture into some politically sensitive social and financial thickets, such as strengthening sex-education programs for teens and pre-teens, and increasing budgets for programs and services that don't necessarily have powerful and well-connected lobbies behind them. The politicians will now have the chance to show they're as serious as the problem.

(IMPORTANT MESSAGE)				
mall				
FOR 11. Clamme				
DATE	TIMEP.M.			
M S) A				
Hoy Cor	per			
OF 422	F0(-)			
PHONE 199	NUMBER EXTENSION			
TELEPHONED	PLEASE CALL			
CAME TO SEE YOU	WILL CALL AGAIN			
WANTS TO SEE YOU	RUSH			
RETURNED YOUR CALL	SPECIAL ATTENTION			
MESSAGE				
	1:30) Hankver			
	HARLING			
(/;//				
SIGNIES MILL				
SIGNED LITHO IN U.S.A.				
TOPS FORM 3002S				

IMPORTANT MESSAGE				
FOR Mr. Diammt				
DATE P.M. M. Peg. Ristm Ransey OF				
PHONE 919-73	NUMBER EXTENSION			
TELEPHONED	PLEASE CALL			
CAME TO SEE YOU	WILL CALL AGAIN			
WANTS TO SEE YOU	RUSH			
RETURNED YOUR CALL	SPECIAL ATTENTION			
MESSAGE				
SIGNED LITHO IN U.S.A. TOPS FORM 3002S				



North Carolina General Assembly

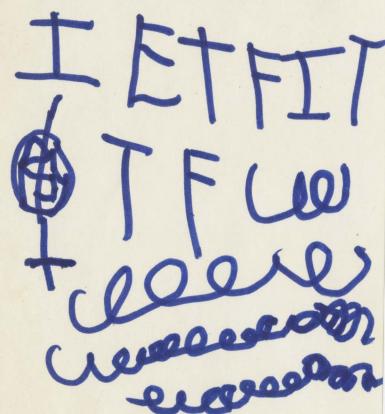
DAVID H. DIAMONT Representative 733-5829

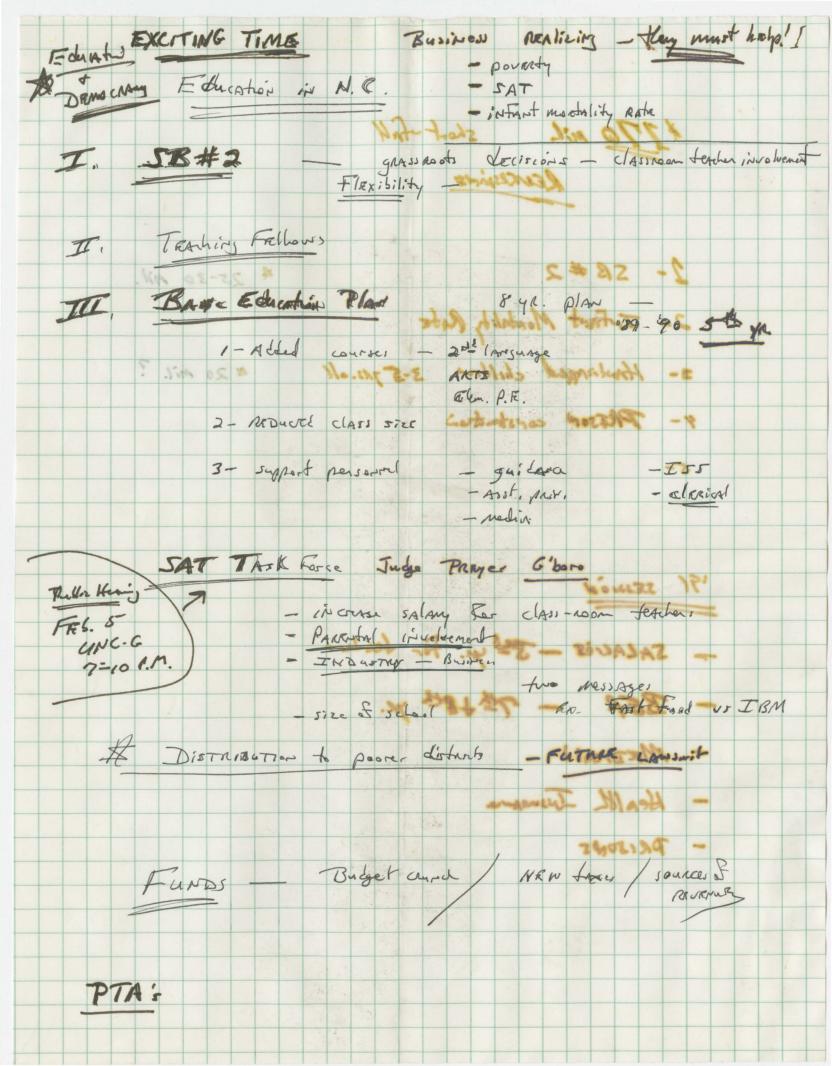




North Carolina General Assembly

DAVID H. DIAMONT
Representative 733-5829





Washing T 1270 mil. short-full
REUKLSpires 2- SB#2 4 25-30 Mil. 2- Intart Mondality Rate 3- Howlingped children 3-5 715. oll \$ 20 mil. ? 4- PRISON construction Inde the part of the post of - SALACIES - 32 yr. For feeter - BER - 7th +8th yr. - MRDICAIL -Health Tusmapure - PRISONS

NORTHWEST DISTRICT LEGISLATIVE DAY

January 25, 1990

10:00 a.m. - 12 Noon

FORSYTH AGRICULTURAL BUILDING

9:30 a.m.

Registration, Coffee

10:00 - 10:30 a.m.

General Overview Of Issues

Ms. Ann Q. Duncan, Assistant Secretary of Administration; D.E.H.N.R.

10:30 - 11:30 a.m.

Issues In Depth

Rep. Julia Howard - Environmental Issues

- Rep. Dave Diamont - Education

Rep. Peggy Wilson

Rounn / App. wanter

Sen. Ted Kaplan

11:30 - 12:00

How To Get Involved .

Small group discussion with Legislators

Education - DEMOCRACY

Solution. to most Every issue Falls bank to

EDMCATTAN

Tologia

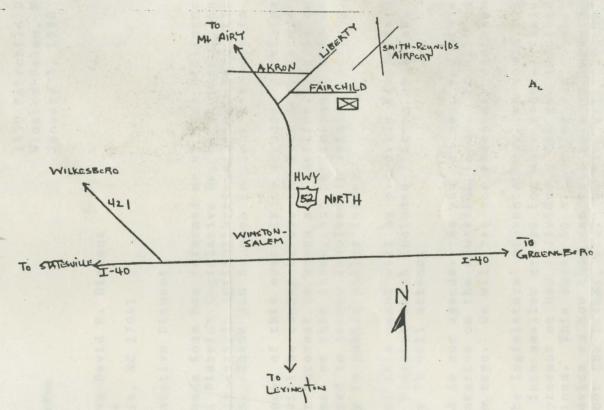
Complex problems

REGENER Complex

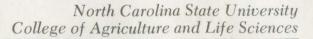
long-Rayle solutions

30 sec. political Advertonico
do not do justice
to toly i issue

I welcom apportments to talk with storp, such so



DIRECTIONS TO AGRICULTURAL BUILDING: Going North on Highway 52 take the Liberty Street/Airport Exit which is approximately 2½ miles from the Interstate 40 interchange. Going South on Highway 52 take the Akron Drive Exit to North Liberty Street.





Address reply to: County Extension Office 1450 Fairchild Drive Winston-Salem, NC 27105 January 3, 1990

Representative David H. Diamont P. O. Box 874
Pilot Mountain, NC 27041

Dear Representative Diamont:

Mrs. Brenda Rose has informed me of your willingness to participate in our Northwest District Legislative Day on Thursday, January 25, 9:30 a.m. - 12 noon at the Forsyth Agricultural Building, 1450 Fairchild Drive, Winston-Salem. Thank you so much for your interest in this program.

The purpose of this event is to acquaint participants with the key issues that will be coming before the N.C. Legislature in 1990 that will be of particular interest to women and families. It is our hope that, by being better informed on this issue, our participants will feel more confident and better prepared to become involved in voicing their opinions and participating in public policy issues.

Attending this event will be primarily Extension Homemakers from the Northwestern District which includes fifteen counties. We estimate that approximately 75 will attend.

Enclosed is our agenda. As you can see, you are scheduled for a 15 minute presentation on the education issue. It will be fine for you to bring a video tape. We will have the necessary equipment set up.

After the legislators' presentations, we would like to break the participants into smaller groups for more two-way dialogue with the legislators present on how individuals can get involved and best influence public decisions. This would be a time for you to share with the smaller group your advice on how they can best make an impact; answer individual questions about the issues, etc. We have allotted the last 30 minutes of our program for this and hope you'll be willing to participate.

Please contact me or Mrs. Brenda Rose, Extension Director in Surry County, if you have questions or or need more information. I look forward to seeing you on January 25.

Sincerely,

Maurene S. Rickards

Home Economics Extension Agent

cc: Brenda Rose, Surry County MSR/1d



North Carolina General Assembly

House of Representatives State Legislative Building Raleigh 27611

REP. DAVID H. DIAMONT

HOME ADDRESS: P. O. Box 784

PILOT MT., N. C. 27041 TEL. 919-368-4591

OFFICE ADDRESS: LEGISLATIVE OFFICE BLDG ROOM 635 Tel. 919-733-5829 January 16, 1990

COMMITTEES:

APPROPRIATIONS COMMITTEE

CHAIRMAN

SUBCOMMITTEE ON ELEMENTARY AND SECONDARY

EDUCATION

MEMORANDUM:

TO: Members of House Appropriations

FROM: David H. Diamont

Chairman

General Fund Budget Outlook

In order to keep you posted as to the current outlook for the General Fund Budget, as well as prospects for the future, I have attached the recent update of the Fiscal Research Division.

DHD: nwg

REF:

MID-YEAR GENERAL FUND BUDGET OUTLOOK

On January 10, the Governor announced that the Office of State Budget and Management had estimated that General Fund revenues for 1989-90 would be \$170 million less than budgeted. To make sure reversions (unspent operating appropriations such as lapsed salaries) cover the shortfall, the Budget Office reduced the third quarter allotment of appropriated funds to state agencies by 2.5%. This follows a 1% reduction in the first two quarters.

The Budget Office analysis dealt only with revenues. In fact, two spending matters could push the shortfall to over \$210 million. Uncertainties in the economic outlook, agency spending rates, and federal actions support the size of the spending restrictions.

SOURCES OF SHORTFALL

(1) Economy/Revenues. Most of the revenue availability amount used in the budget process was the result of a joint estimate by the Budget Office and Fiscal Research. A comparison of the forecast of key economic assumptions used in the projection and the current forecast is shown below:

	% Change	
	Original	Current
	1990	1990
Real economic growth	1.6%	1.9%
Inflation	4.2%	3.6%
Short-term interest rates (actual)	7.2%	6.9%
Corporate profits (amount)	\$301 Bil.	\$289 Bil.

The economic growth and interest rate forecasts have held up well. At the state level, the unemployment rate has risen slightly and job growth has slowed from 2.8% during 1988-89 to 1.5% this year.

The major problems have to do with inflation and corporate profits numbers. During the last five downturns, the rate of inflation going into the downturn rose 50-300% above the base rate. In fact, high inflation was a major cause of each recession through restrictive monetary adopted to deal with the problem. The budget estimate of only a *one percentage point increase* in inflation (25% above base rate) acknowledged that this time around international price competition and less wage pressure would dampen inflation pressures. In fact, there has been no increase in the underlying inflation rate.

Lower inflation is important because over 90% of General Fund taxes are affected either by the rate of wage and price increases. For example, low unemployment rates were expected to lead to a 5.5% increase in the average hourly earnings of manufacturing workers (compared to 4.6% increase the previous year). In fact, the rate of increase to date is 2.9%.

A 30% increase in corporate debt due to leveraged buyouts, mergers, and corporate restructuring has led to an earlier-than-normal decline in corporate profits. The deductibility of interest under the federal and state tax laws offers an incentive for this type of financing (dividends are not deductible).

Lower inflation and declining corporate profits accounts for about \$100 million of the estimated \$170 million shortfall. Another \$40 million comes from a shortage of investment income due to budgetmakers not being provided with timely notification of the impact of a change in accounting.

For the four years ending with 1988-89, General Fund tax growth had averaged 8.8% per year, adjusted for tax changes and local tax reimbursements. Anticipating a slowdown, the comparable budget estimates are 8.3% for 1989-90 and 7.4% for 1990-91. The projected shortfall of \$170 million means that the adjusted growth rate for 1989-90 would be 5.5%. Each percentage point is equal to \$61 million.

- (2) Teacher Salary Plan. The authorized budget for 1989-90 is underfunded by \$22 million due to a one-time payout of longevity.
- (3) Hugo. The cost to the General Fund of matching federal assistance is \$17 million.
- (4) Postal Service. The State Treasurer has indicated that the proposed elimination of the guarantee of one-day delivery to Raleigh from certain areas of the State could reduce revenues by \$8 million.

EXPERIENCE IN OTHER STATES

A December, 1989 survey of the National Conference of State Legislatures indicated that 27 states are facing similar shortfall prospects, including all states from Florida to Maine. For the states in the Southeast the shortfall ranges from 1.5 to 4 percentage growth points. The common problems are with sluggish retail sales and disappointing corporate profits.

1990 SESSION AVAILABILITY

The new 2.5% spending allotment cutbacks are intended to "force reversions" to bring spending in line with available revenues for 1989-90.

Normally, the even-year budget adjustment session deals with a the second year pay raise, additional expansion items, and funding capital from first-year reversions. Expansion funding comes from any overcollections of revenue and the fact that during the long session a minimal amount of spending is authorized for the second year. Sometimes no budget is adopted for the second year during the long session.

The 1989 session used full-scale revenue estimates for the second-year and funded many major expansion items including the Basic Education Plan, health insurance for teachers and state employees, a 6% pay raise, Medicaid mandates, and the corrections *consent decree*. With no shortfall, the 1990 session would have be able to fund additional capital from first-year reversions.

By using reversions for the 1989-90 shortfall, there will be little, if any, additional availability for 1990-91. Spending issues that are likely to be raised include SB 2 (\$ 44 million less the cost of the existing pilot programs), 1988 tax refunds to federal retirees (\$9 million already sent out; \$25 million for protested refunds awaiting legislative action or court decision), and capital funding for community colleges (\$25 million) and other projects deferred by the 1989 session.

SECOND-YEAR SHORTFALL

Neither the Budget Office or our office has sufficient data to know how much the second year budget might need to be adjusted. Next year's reversions provide one source for balancing spending and availability by the Governor. In addition, federal capital gains legislation will lead to a windfall if enacted in the form anticipated. On the negative side, a loss by the State of the federal retiree class action lawsuit for the 1985-88 tax years would cost over \$100 million.

LONG-TERM PROSPECTS

(1) Economy/Revenues. There are some bright spots on the horizon. The capital gains windfall could more than offset any impact from individuals deferring gains in the 1989 tax year. On an annual basis, capital gains taxes are about \$250 million in North Carolina. The speed-up from the 1986 federal capital gains change amounted to \$150 million.

A recession is not likely in light of falling interest rates and record prices in the stock market. Lower than expected inflation gives the Federal Reserve more latitude in lowering interest rates. The early decline in corporate profits may turn around, especially since fewer leveraged buyouts are taking place today and many firms have taken bold steps to reduce their workforce and modernize plant and equipment.

(2) Spending Issues. It is tempting to say that if the economy and revenues improve, we would no longer have a tight budget. This is not the case. The General Fund budget was tight prior to the 1989 session, even with a strong economy and lower-than-expected inflation. We can see why the next biennium will be tight by assuming that the economy rebounds and we have average revenue growth. The outlook for the first year would be:

	(\$ Million) 1991-92	
	Recurring	Nonrecurring
Availability	\$500	\$180
Less: Revenue Shifted to		
Highway Trust Fund	195	-
Net Availability	\$305	\$180
Spending Issues:		
Basic Education Plan	\$ 95	
SB 2	60	
Corrections	30	\$45
Medicaid	80	
Health Insurance	40	
Total	\$305	\$45
Availability for Other Expansion,		
Pay Raises, Capital		\$135

Notes:

- (1) The spending estimates are very rough and do not include the potential \$40-50 million adjustment in the continuation budget for inflation. The Medicaid figure is the amount added to the 1989-90 budget. The Corrections consent decree commits \$75 million of additional spending per year, without specifying how the funds are to be split between operating and capital.
- (2) If 1990-91 reversions are used to balance the budget, the \$180 million beginning balance for non-recurring items will be reduced or eliminated.

NORTH CAROLINA GENERAL ASSEMBLY LEGISLATIVE SERVICES OFFICE 2129 STATE LEGISLATIVE BUILDING RALEIGH 27611

GEORGE R. HALL, JR. LEGISLATIVE ADMINISTRATIVE OFFICER TELEPHONE: (919) 733-7044

> GERRY F. COHEN. DIRECTOR LEGISLATIVE DRAFTING DIVISION TELEPHONE: (919) 733-6660

THOMAS L. COVINGTON. DIRECTOR FISCAL RESEARCH DIVISION TELEPHONE: (919) 733-4910

M. GLENN NEWKIRK, DIRECTOR LEGISLATIVE AUTOMATED SYSTEMS DIVISION TELEPHONE: (919) 733-6834



TERRENCE D. SULLIVAN, DIRECTOR RESEARCH DIVISION TELEPHONE: (919) 733-2578

MARGARET WEBB LEGISLATIVE INFORMATION OFFICER TELEPHONE: (919) 733-4200

January 17, 1990

TO:

MEMBERS OF GENERAL ASSEMBLY

FROM:

DAVE CROTTS

FISCAL RESEARCH DIVISION

SUBJECT: FEDERAL RETIREE REFUNDS

A number of legislators have called or written during the last few weeks for a "standard response" to the concerns of many federal retirees who did not get a 1988 refund of the taxes on their retirement pay.

For your assistance, I have attached a recent response I worked up as a condensed version of the two-page response sent to you by the Secretary of Revenue on October 2. Again, the response is directed at the question: "Why didn't I get a 1988 refund while others did?

Please feel free to use the information in tailoring your personal response.

Attachment

DC:ap

You had asked about the fairness of a State law that allows some federal retirees a refund on the 1988 North Carolina income tax paid on their retirement benefits while others like yourself are not eligible for a refund.

The issue is the result of a March 28, 1989 U.S. Supreme Court decision. In that decision the Court held that a State must provide a tax exemption on the retirement pay of federal retirees that is no less than the exemption it provides to its own retirees. The General Assembly addressed this matter for 1989 and future years by allowing a \$4,000 exemption for all public sector retirees.

As soon as the March 28 decision was publicized the Department of Revenue asked the Attorney General whether the State must grant a refund in light a State law that governs the payment of refunds for illegal taxes. This law states that a taxpayer must request a refund within 30 days of the payment of the tax to be eligible for the refund.

On April 10 the Attorney General concluded that, based on a 1977 N.C. Supreme Court ruling, the refund statute was constitutional and the State cannot grant refunds to taxpayers who had not applied within 30 days. In announcing the opinion, the Attorney General indicated that while the refund denial was legal, he felt the law was "unfair". In fact, taxpayers do not know when they pay a tax that it may be later declared unconstitutional. In addition, the law penalizes those taxpayers who followed the State's advice and filed taxes early.

The N.C. House passed a bill (HB 1350) that would have extended refunds for the 1988 tax year to those retirees who did not meet the 30-day rule. In addition, the bill would have re-written the statutes to allow refunds in the future for illegal taxes if the refund request is filed within one year of the date the tax is paid.

The bill did not get to the Senate until late in the 1989 session and did not provide for a means to pay for the refunds. By that time the State budget was already balanced. In addition, there was some discussion of the class action suit that has been filed by federal retirees in federal district court (all federal retirees are automatically included). The 1988 refunds are one of the issues in this case.

On December 6 the U.S. Supreme Court heard arguments on two cases from other states that deal with the issue of retroactive refunds. A decision on these cases could come down any day and *might* apply to the retiree's refund situation.

The fact that HB 1350 would affect the State budget makes it eligible for consideration during the 1990 short session.

The Department of Revenue is encouraging federal retirees to keep their tax records for the 1988 tax year so that if HB 1350 is enacted or the retirees receive a favorable court ruling, refunds can be granted to all eligible retirees.

(704) 262-2265



Student Government Association Post Office Box 9027 Appalachian State University Boone, North Carolina 28608

January 29, 1990

Mr. David H. Diamont, Representative - N.C. House Post Office Box 784 Pilot Mountain, North Carolina 27041

Dear Mr. Diamont,

Congratulations to you and your family on your newest addition. I know you're all thrilled. I hope Debby and the baby are doing well.

School is going great for Robin and I. This is my last semester, so I'm trying to enjoy it while I can. We are both having to do more studying than ever before, but we still manage to sneak a party in every now and then.

Our College Democrats club is doing pretty good. We would like to have more members, of course, but things seem to be looking better all the time. Our numbers are continuing to slowly grow and the members we already have are active and enthusiastic.

As I told you in our phone conversation, the North Carolina Federation of College Democrats will be holding their winter seminar on Saturday, February 24, 1990 at UNC-Greensboro. That day Mike Easley, Harvey Gant, and Bo Thomas are going to debate each other. The ASU club president, Austin Caviness, is on the panel along with some local journalists and others to ask the questions.

I have enclosed the information regarding the ad for the program handout, which I talked with you about on Saturday. I am so sorry to have interrupted the birthday party.

Thank you so much for your support of ASU College Democrats. I really appreciate it, as does the whole club. We really enjoyed your last visit and we are trying to get something worked out for a debate or forum of some kind before too long. Wade Wilmoth and Judy Hunt have indicated that if more Democrat candidates file before Monday's deadline,





Student Government Association
Post Office Box 9027
Appalachian State University
Boone, North Carolina 28608

they would be interested in a debate between the Democrat candidates only, sometime before the May primary. If not, we are thinking about a question/answer session with the three of you. They have also said that they would be interested in debating the Republican candidates on campus in the fall a little closer to the general election. If you have any suggestions, please let me know.

We have Bobby Hunter scheduled to speak to the club on March 19th. I understand that he is a leading contender for the next Speaker of the House, so I look forward to hearing what he has to say.

Thanks again for your support and time. Please contact me if you have any questions or suggestions.

Sincerely,

M. Michelle Simmons

Enclosure

Whitem Hall Rom 103 7:30

MORTH CAROLINA FEDERATION OF COLLEGE DEMOCRATS - WINTER SEMINAR

Rates for the ads are as follows:

Full page - \$100.00

Half page - \$60.00

Quarter page - \$35.00

General ad/Name mentioned on the back of the program - \$15.00

If you choose one of the \$100.00, \$60.00, or \$35.00 ad options you may also send in a black and white photograph, any size, to be included in the ad. Also please include a couple of short lines indicating what you would like the ad to say. The deadline is February 9, 1990. Please send your check, photograph, and information to the following address:

N.C.F.C.D.

N.C. Democrat Headquarters

Box 12196

Raleigh, North Carolina 27605

attention: David Britt

You can reach me at the following address or phone numbers:

M. Michelle Simmons

Post Office Box 18546 - ASU

Boone, North Carolina 28608

(704) 264-5842 home/mornings

(704) 262-6258 ASU Attorney General's Office/afternoons

V4 page ad tuken

Best Wishes for a Successful yem!

Rep. DAVID HUNTER DIAMONT

YORK House District

JANUARY and FEBRUARY SCHEDULE

Sunday - January 21st - Channel 8 TV - live to receive award

Monday - January 22 4:00 - 5:00 panel discussion - Winter Leadership Conference - Benton Convention Center - Winston-Salem

6:00 - 29th Annual meeting of Mt. Airy Chamber social hour (6:00) and dinner (6:30) - Mt. Airy Elks Lodge

Thursday - January 25th 9:30 - 12:00 noon - Panel discussion - Northwest Legislative Day - Forsyth Agriculture Bldg., 1450 Fairchild Drive (MAP included) - Winston-Salem ** You do Education issues between 10:30 and 11:30 am

3:30 - Highway Trust Fund Briefing and Hornets Game after - Adams Mark Hotel in Charlotte

Friday - January 26th 10:00 - 3:00 BEP Task Force - Governor's Press Conference Room, 1st Floor of Administration Bldg.

Saturday - January 27th 12:00 - 2:00 buffet lunch - Council on Status of Women - 1st Baptist Church on King Street - Boone

6:00 - dinner and speech - Education Secretaries

(Nancy Beamer) - Market St. Deli in Elkin

day - February 3rd Monday - January 29th

Saturday - February 3rd Democratic Gala - I don't have any particulars yet

* Fai. FRS. 2 6:30 Grewill NIAR / PACE

Thursday - February 8th 7:30 - Emerging Issues Forum - Dr. CARL SAGAN to speak - McKimmon Center - Raleigh

6:00 - dinner and meeting on Educational Blueprint at Caldwell Community College - GLEN HODGES is attending to represent you.

Monday - February 12th

4:30 - meeting with Dennis Thompson and Mark Palmer to discuss tourism bill (#856 - already mailed to Thompson) - County Commissioners Office in Dobson

Wednesday - February 14th

9:00 - 12:00 NC Assn. of School Business Officials
Winter Conference - Holiday Inn Four Seasons in
Greensboro ***You speak at 10:00 on GA initiatives
that provide benefits and challenges for Finance
officers or business officials - your view of their
role in SB #2. - I'm having staff prepare info.

*** Katrina Miller, Ashe Board of Ed. wrote you also
to say she was glad you would be at that conference.
If possible - you might speak to her.

**ALSO - remember it is Valentine's Day - don't forget DEBBY

Tuesday - February 20th
9:00 - Governmental Ops. - Subcommittee on Ed.

Wednesday - February 21st 9:00 - Government Ops.

Drug Offenses

you. You shouldn't put anything in your body that could harm you, but you should make the most of what you have."

Carter sentenced White to two years in the North Carolina Department of Correction, but suspended the sentence for five years on the condition that White complete 100 hours of community service within 90 days, pay a \$100 fine and court costs.

"I don't want to see you back here, Mr. White," Carter said. "If I do, you'll be bringing the key (to jail) with you."

Rep. Judy Hunt Files For Re-Election To House

Representative Judy Hunt filed for re-election to a third term in the North Carolina House of Representatives yesterday. The 40th House district is composed of the five counties of Surry, Ashe, Alleghany, part of Stokes, and part of Watauga. Hunt currently represents this three-member district along with David Diamont and Gene Wilson.

Explaining why she chose to run for a third two-year term in the legislature, Hunt said, "I hope to have the opportunity to continue working for a strong economic climate that is healthy and wholesome for all families. Decisions made in the legislature literally affect every citizen and I feel that experience and

commitment will enable me to serve the public well."

Hunt presently serves on four committees and four sub-committees in the North Carolina House -- Commerce: Authorities, Boards, and Commissions (Chairman); Human Resources: Mental Health, Exceptional and Gifted People (Vice-Chairman); Basic Resources: Cultural Resources and State Parks; Finance: Ways and Means.

Hunt received a B.A. from Meredith College in 1971 and a M.A. from Appalachian State University in 1976. She works with her husband, Hanse Kohler, in real estate in Blowing Rock. They are the parents of one daughter.

Wilmoth To Be Candidate For Seat In State House

Wade Wilmoth of Boone has announced that he will be seeking a second term in the North Carolina House of Representatives, representing the 40th District composed of Alleghany, Ashe, Stokes, Surry and Watauga counties. A Democrat, he served in the House during the 1987-88 Legislative session.

In making the announcement, Wilmoth said he will be running to serve the citizens of the 40th House District with diligence and respect for the opinions of all. "Although Alleghany, Ashe, Stokes, Surry and Watauga counties have many varied concern,s" he said, "There is a common desire for education, affordable housing and health care, and a need for a strong economic base balanced with environmental preservation that will insure an improved quality of life for all. I would consider it an honor and a privilege to again serve the citizens fo the 40th District in addressing these concerns."

During the 1987-88 session, he served on the Finance, High Educa-

Wade Wilmoth

tion, Local Government, Small Business and Transportation Committees.

A native of Surry County and a graduate of Appalachian State University, Wilmoth owns a real estate company in Boone. He is a former member of the Boone Town Council and was mayor of Boone for two terms.

He is married to the former Sue Watts and they have two children.

Spritzers, not barbecue, flavor late 1990s politics

Political Writer Seth Effron peers into politics in the 1990s.

By SETH EFFRON

RALEIGH — Politics in the late 1990s just doesn't seem to be as much fun as it used to be.

State Sen. Wendell Murphy, D-Duplin, the world's largest hog producer, is selling pork everywhere but at political rallies.

The \$5-a-plate barbecue has all but vanished, and the N.C. Museum of History plans an exhibit on political

■ 10 Tar Heels whose political power could grow in '90s — A4

rallies, now more like dinosaurs. The remaining event is the nostalgic pre-election Mallard Creek Barbecue in Mecklenburg County. Politicians still show up because most of the state's television stations send crews for "candidates-on-the-stump" shots.

In their place are \$250- to \$1,000-a-ticket fund-raising cocktail parties.
The Democrats' annual Vance-Aycock weekend and the Republicans' regular

Hall of Fame dinner become orgies of fund raising with associated receptions, golf tournaments and other events.

Fancy puff pastries replace fried corn sticks. Spinach salads replace cole slaw. White wine spritzers replace sweet ited tea.

What started in 1980 with Republican John East's upset victory over incumbent Democrat Robert Morgan for the U.S. Senate has become not the exception, but the rule for campaign styles. The candidates are heard,

through television commercials and statements from campaign surrogates, but rarely seen in public.

"The candidates are just continuing to buy folks," said Thad Beyle, a political science professor at the University of North Carolina at Chapel Hill. He tied it to the increasing role of political consultants, the heightened need for campaign dollars and the diminishing visibility of candidates.

"You're getting to the days of the old westerns where you go out and

(See Politics, A4)



POLITICS

From A1

hire a gun, and whoever has the best hired gun wins," Beyle said.

He said Democrats and Republicans have stables of high-priced consultants to build their candidates' name recognition on TV, craft attack-advertising campaigns to tear down their opposition and use direct-mail techniques to target specific groups voters — for example, Republicans with two children who belong to the Sierra Club and live in single-story houses.

And, the less candidates are seen in public, the more expensive are the campaigns.

Candidates, particularly those for statewide or congressional office, fly to the state's major TV markets for airport news conferences when they announce, repeat the fly-around in the fall if they survive the primary and repeat it again on the Monday before voters head to the polls.

They devote the rest of their time to meeting with high-priced pollsters, media advisers and consultants; meetings with potential contributors; and making telephone calls asking for money.

"Politics in North Carolina is becoming more competitive," said Jack Hawke, state GOP chairman. "As it happens, campaigns become

more expensive. "I still believe in old-fashioned

campaigns. But television is increasing, and the demand for professionals in running campaigns is going to increase, and thus the demand for funds is going to increase."

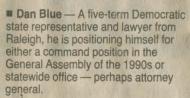
While money and television will dominate campaigning in the 1990s, other forces will be at work:

• The required redrawing of congressional district lines, based on the 1990 census, gives the state a 12th member in the U.S. House of Representatives. New legislative district lines give greater represen- 1992 and will be 81 in 1998. tation to the state's urban and sub-General Assembly.

tion years — give state politicians statewide office. four chances to challenge or replace

10 to watch in the 1990s

Here are 10 North Carolinians whose political influence could grow in the 1990s:



■ Joanne Bowie — Though just finishing her first term in the state House, the former Greensboro City Council member is likely to emerge as one of the most influential women and Republicans in the legislature.

■ David Diamont — The West Surry County High School football coach, a Democrat, says he's hanging up his clipboard, which means he's ready to settle into his job as House Appropriations Committee chairman, where a long tenure means tremendous influence.

John Dornan - As leader of the N.C. Public School Forum based in Raleigh, this Democrat's influence on education policy already outstrips even the governor's at times. The pressure to try for public office could be too much to resist.

Robert Grady — The Onslow County legislator is the leading voice of the General Assembly's most conservative Republicans, and he has the organizing skills others who share his philosophy lack to help him become a statewide voice for the ideological wing of the GOP.

M Alan Pugh — The Republican lawyer from Randolph County has all but been anointed by Gov. Jim Martin as heir to his legacy in state

government. He's emerged from a behind-the-scenes adviser to a key member of Martin's very-tight inner circle, and his eyes are focused firmly on the Executive Mansion

■ Nancy Temple — Recently named the governor's chief of staff, this Raleigh Republican is thoughtful and articulate - and, if she chooses, might eclipse better known GOP women pondering statewide office.

Sharon Thompson — The Durham lawyer and civil liberties advocate, a Democrat, was disheartened by the bitter in-fighting that mired the 1989 legislature. But her skill in transforming issues that might seem unfashionable into causes with widespread support will keep her in demand.

Jim Van Hecke — The Greensboro businessman was a hero in 1986 when, as state party chairman, Democrats recaptured a U.S. Senate seat. Two years later he was the goat, when the party lost the lieutenant governor's office and 13 seats in the legislature. The right time for him to get back into the political forefront might be soon.

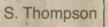
■ Mel Watt — While among the most articulate members of the legislature. he left after a single term as a Democratic state senator from Mecklenburg County to devote more time to his growing family. He said he'd return to politics when his children entered high school - early in the new decade.

- Compiled by Seth Effron





N. Temple





J. Van Hecke



M. Watt

R. Grady

D. Diamont

urban regions, add to the number of holders advancing in age, retireblack legislators and boost the the ments open the way for a new crop Republican Party's power in the of politicians, particularly women, • U.S. Senate races in 1990, 1992, Democratic and Republican parties, 1996 and 1998 — the middle two in women are organizing to promote gubernatorial and presidential elec- other women for legislative and

• The law bars Gov. Jim Martin, a aging or retiring incumbents. Sen. Republican, from seeking a third Jesse Helms, the Republican seek- term in 1992. Ambitious politicians ing re-election in 1990, is 68, and like Lt. Gov. Jim Gardner, a Repubwill be 74 in 1996; Sen. Terry San- lican, and Attorney General Lacy ford, the incumbent Democrat, will Thornburg and Secretary of State be 75 when his seat comes up in Rufus Edmisten, both Democrats.

want to fill the top post. All at once in 1992, the races for governor, lieutenant governor, attorney general and secretary of state may not have incumbents seeking re-election.

• Business and other special-interest related political action committees continue to evolve into primary sources of campaign money particularly in legislative races. The PACs prefer to stick with those they know, giving mostly to incumbents. In 1988, 82 percent of those elected were incumbent legislators.

While campaigns evolve, old issues remain:

• After a massive expansion of

the prison system. North Carolina still ranks among the highest in the nation in the number of people behind bars per 100,000 population.

• The injection of money into public schools finally has some results as the state no longer ranks in the bottom five in Scholastic Aptitude Test scores. But neglect of higher education shows as the University of North Carolina faces a shortage of professors because low salaries drive off the best and make it difficult to attract quality replacements.

 Radioactive and hazardous waste continue to pile up because, despite timetables set in the '80s,

the state can't pick disposal sites. Local opposition, no matter what incentives are offered, is massive.

• The \$9.1 billion highway construction program approved in 1989 continues on schedule into the new century, thanks mainly to the law itself, which set out the building schedule.

• Infant mortality, abortion, day care, urban-rural competition for scarce tax dollars, and racial equality continue to be unresolved and highly emotional issues.

The 1990 census brings a dramatic change in the political landscape. After long court battles, North Carolina gains a 12th member of the U.S. House. But another lengthly court battle over the drawing of the new district lines delays filling the post until the middle of the decade.

Observers foresee various fights shaping up over the new districts. At times the opposition is partisan, with Democrats and Republicans fighting; other times it is racial, with blacks seeking greater recognition and voter strength; at still other times it is a battle between regions, as rural counties fight domination by the more urban ones.

The biggest changes come in the makeup of the General Assembly.

Shifts in the state's population are responsible for the changes in the legislature. Rural areas that helped boost Democratic membership in the legislature lose representation to the booming urban and suburban areas that run along the Interstate 40 and Interstate 85 corridors from Charlotte, through Winston-Salem, Greensboro, Durham, Raleigh and down to Wilmington.

Toward the middle of the decade, Democrats are finally celebrating winning the governor's office they lost in 1984. The winner has campaigned on a pledge to change the state constitution to give the governor veto power over bills passed by the legislature.

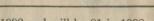
But the new governor faces a hostile legislature that, for the first time in the 20th century, has a narrow Republican majority in the House of Representatives - a result of the 1991 redistricting and state demographics.

Many Republicans who preached the virtues of a gubernatorial veto during the years of GOP rule now question whether making the change will give the governor too much power. By a slim margin, the constitutional amendment fails to clear the House of Representatives, and North Carolina's governor remains the only one without a veto.

Shortly after the Democrat is elected governor, a television station commissions a statewide poll. The results: the best known political figures are folks like Democratic political consultant Harrison Hickman; Republican consultant Brad Hays and Carter Wrenn of the National Congressional Club.

Only two in 10 people could name one of the state's two U.S. senators. Stay tuned folks.

Thursday: Jobs in the '90s.



J. Bowie

J. Dornan

D. Blue

• With major statewide officeto fill the void. Within both the

NOTICE OF CANDIDACY IN PRIMARY ELECTION OF 1990

TO THE SURRY	COUNTY BOARD OF ELECTIONS:
I hereby file notice as a candidate for nomination as N. C. (40th District)	. House of Representatives
in the Democratic Party Prin	mary Election to be held on May 8, 1990. I affiliate with
the Democratic	Party, (and I certify that I am now registered
on the registration records of the precinct in which I reside as an o	affiliate of the Democratic Party.)
I further certify that I have not changed my political party changed from 'unaffiliated' status to my current affiliation with I further pledge that if I am defeated in the primary I will n general election.	nin the past ninety (90) days.
P. O. Box 784, Pilot Mountain, N. C. 27041 Address of Candidate (Where Registered)	DAVID HUNTER DIAMONT
Telephone:368–2251	Residence 368–4591
The undersigned has examined the voter registration record county and found . David. Hunter. Diamont	ds in SURRY
SURRY County	Wendy V. Baylin Deputy Supervisor Deputy Supervisor
CERTIFICATION OF NOTIC	
I hereby certify that David Hunter Diamont appeared before me this day and acknowledged his or her signature in my presence.	, the candidate who signed above, personally ure to the above Notice of Candidacy, or signed the same
This 31st day of	January 19.90
Oepuly Supersusor	Wandy V. Bayler

CANDIDATE STATEMENT OF ORGANIZATION

FILED BY: Instructions David Hunter Diamont Review and then complete ONLY one of the blocks listed below. Name of Candidate For blocks (1) and (2) this will serve as the Organizational Report. P. O. Box 784 For block (3), Forms APT, C, E, T, and L (if applicable) must be Address of Candidate filed within ten days of the date this statement and filing for office Pilot Mountain, North Carolina 27041 occurs. Final completion requires verification by oath or affirmation. N. C. House of Representatives (40th District) Office and District of Candidate Democratic Political Party Affiliation of Candidate 1. I certify that I have received no contributions or made any expenditures, except the filing fee. I further certify that I intend to accept or expend no funds during my campaign. Therefore, I am declaring my status as "inactive" under the procedure set forth in G.S. 163-278.10. OR L I certify that I intend to receive or expend no more than \$1000, except the filing fee, during my campaign. Therefore I am declaring my status under the procedure set forth in G.S. 163-278.10A. I understand that if the above circumstance changes, I will be required to file. THE NAME AND ADDRESS OF MY CURRENT CAMPAIGN COMMITTEE IS: Name of Candidate or Campaign Address of Candidate or Campaign * THE NAME AND ADDRESS OF MY NEWLY ORGANIZED CAMPAIGN COMMITTEE WILL BE: David Hunter Diamont Name of Candidate or Campaign P.O. Box 784, Pilot Mtn., N.C. 27041 Address of Candidate or Campaign This Committee , is, or is not handling contributions and expenditures for my Campaign. I I understand that the balance of Campaign Report # 1 must be submitted within ten days. I hereby submit the above statement of organization pursuant to the requirements of G.S. 163-278.7(b). Signature of Candidate

VERIFICATION BY OATH OR AFFIRMATION

I certify that . David. Hunter Diamont....., the candidate who signed above, personally appeared before me this day and acknowledged his or her signature to the above Candidate Statement of Organization, or signed the same in my presence.

This 3/2. day of January. 19 9.0.

Wendy V. Beylin

Seal

My commission expires une de ...

State Board Form CO

OPINION

MON. JAN. 22, 1990 THETRIBUME, ELKIN

Storms forecast for Mavretic; Diamont to change course?

record of the next General Assembly.

This year, the speculation centers on House Speaker Joe Mavretic, who won his post last January with 45 Republican and 20 Democratic votes. Ever since he unseated four-term speaker Liston Ramsey, the 54 Ramsey Democrats have been promising revenge, and all the talk now is whether they'll get it.

A year before the vote, it appears Mavretic will have a tough time being re-elected speaker. A number of factors are working against him. He holds office by a slim margin of only five votes, and if any of these factors plays out, that margin could disappear. Also:

•Mavretic already has lost three of his supporters. Rep. Donald Dawkins, D-Rockingham, has said he'll go with the Democratic caucus nominee in 1991. Rep. Alex Hall, D-New Hanover, and Rep. C.R. Edwards, D-Fayetteville, aren't running again.

•There is considerable disenchantment among grassroots Democrats with the 20 so-called "Mavretic Democrats." Party workers have promised to challenge them in primaries.

•Included among the 20 Mayretic Democrats are three representatives with ambitions for state-wide office.

This Afternoon in N.C.

by Paul O'Connor



Reps. Roy Cooper, D-Nash; David Diamont, D-Surry; and Jim Crawford, D-Granville; all will need to be in favor with the state party when they run state-wide. Continued allegiance to Mavretic will not help them in that regard.

•Finally, there is the historical cycle of legislative elections. In presidential election years, Republicans gain legislative seats. In off years, they lose them back. In recent years, Republicans have won more than they've lost, and there is much optimism that the GOP can hold its 46 House seats, maybe even add a few. But history is not on the GOP's side, and that's not good news for Mavretic.

All of this said, things could still break for Mavretic. Some of the Ramsey Democrats aren't running for reelection; some could be defeated in primaries. Republicans might stay even, or pick up a few seats.

Democrats also must begin uniting behind a single candidate for speaker. So far, that has not happened.

Diamont To File For Ninth Term

News Staff Report
PILOT MOUNTAIN — Rep.
David H. Diamont has announced that he would be filing today for a ninth term in the N.C. House of Representatives for the 40th District.

A Pilot Mountain resident, Diamont was to file on the Democratic ticket for reelection to the state seat that represents Surry, Alleghany, Ashe and parts of Stokes and



Diamont

Watauga counties. The chairman of the House Appropriations Committee, Diamont is a teacher and former football coach at East Surry High School.

Diamont says the 1991 General Assembly session will be one of the most important sessions in years because of redistricting. He explained that during the session, district lines will be redrawn for all 120 House members, 50 Senate members and 11 congressmen, with the possible addition of a 12th congressman.

"Redistricting will be one of the key chores for the '91 session because it affects every voter in North Carolina," Diamont stated.

See DIAMONT, page 9

MA. NEWS WED. JAN.31

Diamont

Continued from page 1

Educational reform is another area Diamont says he is interested in because it will be "the centerfold of the '90s in dealing with most of the problems facing our state and the 40th District.

"Educational reform is the cornerstone to most of the state's long-range problems, including economic development, the war on drugs, low national ranking in SAT scores and in infant mortality rates. As a classroom teacher and an experienced legislator, I feel I have a unique perspective and understanding of these areas," Diamont noted.

As chairman of the House Appropriations Committee, Diamont handled the largest committee, of 71 House members, in the Legislature in preparing the state budget. He also recently has served on the Education Committee and the subcommittee on elementary and secondary education.

In 1989, Diamont announced that he would no longer be coaching football at East Surry High in order to spend more time with his wife Debby and two children. He also said he wanted to devote more time in the Legislature to improving the area included in the 40th District.

WINSTON-SALEM JOURNAL

JOE DOSTER
Publisher
JOE GOODMAN
Managing Editor

JON H. WITHERSPOON General Manager FRED FLAGLER Associate Managing Editor

JOHN D. GATES

Editorial Page Editor

STATE BUDGET SHORTFALL

A Lottery Isn't the Answer

Virtually all of the payoffs

are small . . . and even a fre-

quent player almost always

winds up laying out more than

he or she wins back.

Legislators will obviously face unpleasant choices when confronting an estimated \$280 million state budget shortfall this summer. A lottery is one option they ought to discard immediately.

After several consecutive sessions in which the Senate or its committees wisely squelched efforts that would have put North Carolina in the numbers racket if approved in a statewide referendum, a

similar bill managed to pass narrowly in the closing weeks of the 1989 session.

Its proponents decided not to press their luck then by trying to push the measure through a more hostile House. The bill remains eligible

for consideration in the short session that will convene May 21, but Speaker Josephus L. Mavretic and other House leaders have said they will not push for ac-

Budget shortfalls and election-year politics and legislators being what they are, a spark of life has now returned to the lottery.

"It might be easier for them to vote for a lottery instead of a tax increase," Rep. David H. Diamont, the House Appropriations chairman, told reporters last week while discussing the various options confronting the General Assembly.

House Minority Leader Johnathan L. Rhyne Jr. predicted: "I think it (the lottery) will be pushed to the hilt."

Diamont, a Pilot Mountain Democrat, and Rhyne, a Lincolnton Republican, are poles apart on most political issues, but they both strongly oppose the lottery. Since each is recognized as being among the more thoughtful and conscientious members of the House, their common opinion against the lottery ought to tell you something about the merits of the idea.

Lotteries are often described by their proponents as a tax on the willing. They are not. They are a rip-off of suckers.

Despite a provision in the North Carolina lottery bill requiring that at least 50 percent of the proceeds be paid out as prizes, lotteries are a lousy bet.

Virtually all of the payoffs are small — just a few bucks — and even a frequent player almost always winds up laying out more than he or she wins back.

The odds against winning the occasional highly publicized jackpots that gen-

erate so much news in other states are astronomical.

But the even stronger case against lotteries from a public policy standpoint is that they represent an admission by the politicians who support them that they cannot or will

not find the courage and wisdom to provide an adequate tax base to pay for whatever governmental programs and services they have decided are necessary.

The proposed North Carolina lottery

The proposed North Carolina lottery only guarantees that 34 cents of every dollar raised goes to the state's general fund.

Why not find a way to raise that 34 cents, if it's needed, through a straightforward and progressive tax and leave the remaining money in people's pockets?

It is also instructive — and, frankly, depressing — that Diamont and Rhyne fear that their colleagues might stoop to approving a lottery bill.

Even though lottery proponents claim that it could raise up to \$200 million a year, that money would be of no use in addressing this year's budget shortfall. A referendum would not be held until November, and the lottery bill mandates that the games would not begin, if approved by the voters, before July 1991.

A state lottery always requires a certain amount of deception in the form of high-powered and misleading ad campaigns to attract players. Legislators who are looking toward a lottery to get the state out of its current fix are also deceiving their constituents and themselves.

Survey finds 89 schools signed to show 'Channel One' news

By BILL KRUEGER

Staff writer

Even as state officials are indicating they may seek to ban "Channel One" news from North Carolina schools, 89 schools already have signed up to show the program.

A recent telephone survey by the state Department of Public Instruction found the schools that have signed contracts to show "Channel One," a daily TV program for high school students that consists of 10 minutes of news and two minutes of commercials targeted to teenagers.

That count is up slightly from the figure of 83 schools reported to the state Board of Education about two weeks ago. The threeyear contracts call for the schools to show the program beginning in March.

Elsie L. Brumback, director of media and technology services for the state Department of Public Instruction, said the higher figure does not necessarily represent an increase in the number of schools contracting to show "Channel One"

She said it is possible the initial figure of 83 schools was incorrect.

The initial figures were provided by Whittle Communications, the Knoxville, Tenn., company that produces the show.

The survey results were presented Tuesday to a legislative panel taking its first look at the program. Schools that agree to show "Channel One" each day receive a satellite dish, two VCRs and a TV set for each classroom from Whittle Communications.

Most of the schools that have signed up to show the program are in rural areas, according to the survey. None of the state's major urban school systems, which have yet to be approached by Whittle, have contracted to show the program.

"I don't think it should be in the schools," said Rep. David H. Diamont, D-Surry, a member of the Joint Legislative Commission on Governmental Operations Subcommittee on Education. "It opens up a lot of other commercialization of our school time."

The panel, which took no action on the matter Tuesday, also received a report about the legal ramifications of any attempt to ban "Channel One" from North Carolina schools. Sarah Fuerst, a staff attorney for the General Assembly, said the State Board of Education has the legal authority to instruct schools not to contract to show the program or not to renew an existing contract.

She said the state could face a legal challenge, though, if it attempts to stop those schools that already have signed contracts from showing the program. She said that California officials have said the commercials included in the show violate provisions in that state's constitution that ensure that students get a free education.

With the debate over the program expected to continue at next month's meeting of the state Board of Education, department officials on Tuesday sent out a packet of information on the program to board members.

The packet includes statements in opposition to the program from various state education departments and education organiza-

tions. It also includes the results of a poll by The Gallup Organization Inc. commissioned by Whittle, which showed that most parents believe junior and senior high school students should know more



'I don't think it should be in the schools. It opens up a lot of other commercialization of our school time.'

Rep. David H. Diamont,
 D-Surry

about current events and world affairs and that a majority of parents are interested in a service like "Channel One."

Capitol

Governor won't campaign against Democratic allies

Gov. James G. Martin said Thursday that he planned to charge hard around the state this fall, campaigning for Republican candidates in critical legislative elections.

But, he said, he would step lightly in the districts of about 20 Democrats — those who helped overthrow former House Speaker Liston B. Ramsey, a Democrat.

"I'm not going to say anything against those who have helped us," the GOP governor said at a news conference. "I will help my party, but I won't say anything directly injurious" about the dissident Democrats.

Twenty Democrats joined forces with 45 Republicans last January to install Josephus L. Mavretic, D-Edgecombe, as

House speaker. The dissident Democrats engineered the coup, but Mr. Martin was instrumental in gathering Republican support.

The result, the governor said, was "an opening of the legislative process — allowing 163 members to participate far more than they had been able to in the past."

In past legislative elections, Mr. Martin had railed against the "Gang of Eight," a powerful group of Democrats who often met secretly to make budget decisions. His sharp rhetoric in support of GOP candidates made for sticky relations between the governor and Democratic legislative leaders.

Mr. Martin appears likely to continue his attacks on Senate Democrats — who last year

'I'm not going to say anything against those who have helped us.'

- Gov. James G. Martin

stripped Republican Lt. Gov. James C. Gardner of powers traditionally held by the Senate's presiding officer — and on the House's "Kennel Club," 54 Democrats who remain opposed to Mr. Mavretic's leadership.

House Majority Leader Dennis A. Wicker, D-Lee, said the governor "is trying to continue to divide the Democratic Party. I think he's going to find out that Democratic Party is healing and will be united

by the time the fall campaign

The governor said that he would not campaign for Mr. Mavretic, a Democrat, in his home district, despite his earlier praise for the speaker's reforms.

"I don't think you're likely to see elected Democrats campaigning for Republicans or elected Republicans campaigning for Democrats," Mr. Martin said. "I expect that [Mr. Mayretic] will be able to make use of some statements I've made about him in the past."

Mr. Martin, meanwhile, already has made peace with one Senate Democrat. Sen. Wanda H. Hunt of Moore County, who has announced she won't seek another term, has accepted a \$41,436-a-year job with the state Department of Human Resources.

Mrs. Hunt said she would keep her Senate seat through this year's session, taking a leave of absence from the state job while the legislature meets. The governor said that was fine with him, since she already has announced she won't run again.

Allowing someone with a state job to continue in the legislature "would be an invitation to all legislators to sign up for state jobs," Mr. Martin said. "It would be very convenient to have a state job to supplement your income."

Mrs. Hunt's move to the Republican administration could make it easier for the GOP to pick up a Senate seat in her two-member district. She led the ticket in 1988, but the GOP narrowly missed defeating veteran Sen. Russell G. Walker, D-Randolph.

The state Republican Party has scheduled a news conference to-day to announce that Siler City pharmacist Max G. Reece — who nearly defeated Mr. Walker — and former state Rep. William T. Boyd of Asheboro will run for the two Senate seats.

- STEVE RILEY

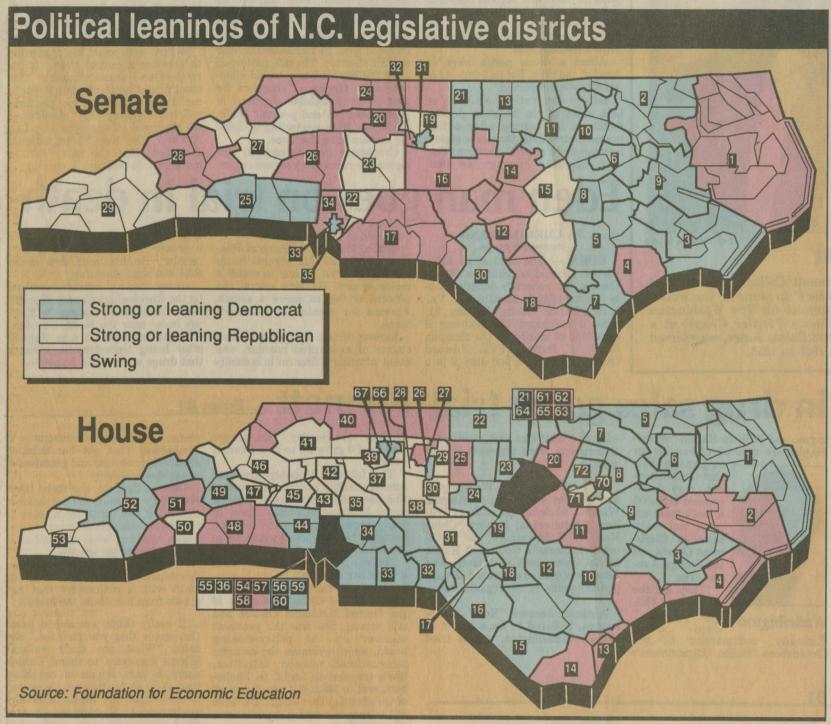
FOR YOU Information! Don Beason

YES! I would like to help <u>DAVID DIAMONT</u> be re-elected this fall to the NC House of Representatives.
I have enclosed a contribution \$5 \$10 \$25 other I would like to have a yard sign to display I would like to have a bumper sticker to display I would like to hand out literature — either at work or in my neighborhood I would like to help with telephone solicitation.
NAME
ADDRESS
TELEPHONE #
Make check payable to "Diamont for N.C. House" David Diamont, P. O. Box 784, Pilot Mountain, NC 27041 (919) 368-4591

Sports, Classified Ads

Greensboro News & Record

Monday, Jan. 22, 1990



Tim Rickard / News & Record

Political map shows business the way

By SETH EFFRON

RALEIGH — When a special interest group such as the N.C. Beer Wholesalers Association puts \$59,400 into legislative political campaigns, as it did in 1988, where and on whom the money is spent is no small matter.

This year Chris Valauri, executive director of the association, has a new tool to use as his organization looks to put money behind candidates it favors in the 1990 General Assembly elections.

It is a 1,700-page, 50-pound, nine-volume analysis of the 170 legislators, their votes, constituents and contributors.

"From the standpoint of a business lobbyist, when you're going to make political action contributions and are looking for a system for determining which districts are pro-business and which aren't, it does help you allocate your resources," Valauri said.

The legislator-by-legislator, district-by-district analysis is probably the most exhaustive ever compiled. It was done by the N.C. Foundation for Economic Education, a non-partisan, 6-year-old political action committee in Raleigh that uses its funds to research and evaluate candidates. It does not make cash donations to candidates but advises those who do.

A look at where candidates' campaign money

comes from gives an idea of why businesses value

In the 1988 campaign, more than \$1 million of the \$2.8 million legislators raised for their campaigns came from political action committees. That 37 percent share was a major increase from 1984, when PACs accounted for 25 percent of all campaign contributions to legislators.

The report also provides a revealing view of the political landscape as North Carolina moves from single-party domination by Democrats into an age of two-party politics. There is more to the 10 pages of analysis for each of the 170 legislators than their records on business issues.

(See Politics, B2)

N.C. FREE ratings of Piedmont legislators' attitudes toward business

LEGISLATOR RATINGS

■ 75 or above — legislator usually supports pro-business legislation

■ 55-74 — legislator somewhat neutral on pro-business legislation

■ 54 or below — legislator is not predisposed to supporting pro-business legislation

■ 60 or above — likely to elect a pro-business candidate

■ 40-59 — swing district

■ 39 or below — district in which a pro-business stand won't necessarily be a help.

	Legislator rating	District rating
■ GUILFORD COUNTY		400 50
Sen. Richard Chalk (R)	81	82
Rep. Al Lineberry (R)	78	62
Rep. Joanne Bowie (R)	77	62
Rep. Frank Sizemore (R)	77	62
Rep. Stephen Wood (R)	77	66
Sen. Robert Shaw (R)	73	73
Rep. Steve Arnold (R)	69	66
Sen. Bill Martin (D)	60	33
Rep. Herman Gist (D)	52	25
= ALAMANCE COUNTY		
Rep. Sam Hunt (D)	85	55
Sen. George Daniel (D)	76	52
Rep. Fred Bowman (D)	68	55
Rep. Bertha Hold (D)	57	55
Charles and Bridgers and an	Watte -00	
FORSYTH COUNTY	200	Mark Dis
Sen. Marvin Ward (D)	77	50
Rep. T. Esposito (R)	77	76
Rep. Ann Duncan (R)	76	76
Sen. Ted Kaplan (D)	75	50
Rep. Frank Rhodes (R)	74	76
Rep. Michael Decker (R)	56 52	76 24
Rep. Logan Burke (D)	45	30
Rep. Annie Kennedy (D)	45	30
RANDOLPH COUNTY		
Rep. Harold Brubaker (R)	89	84
Rep. Arlie Culp (R)	73	63
Sen. Russell Walker (D)	57	58
ROCKINGHAM COUNTY		
Sen. Bill Goldston (D)	89	54
Rep. Peggy Wilson (R)	77	55
Sen. Alexander Sands (D)	59	54
Source: N.C. Forum for Resear		

Politics From B1

The assessments of legislators and their districts reveal that more Democrats than Republicans appear vulnerable to challenges in 1990, particularly Democrats in the Triad.

Districts were designated as safe for Republicans, safe for Democrats, or "swing," by looking at such factors as voting behavior in local and statewide elections, shifts in population and occupations, racial composition and education.

The confidential guide is distributed to the organization's 310 members, including the state's biggest and most influential corporations, and aimed at helping them direct support and all-important PAC contributions to candidates who will vote their way in the General Assembly. The News & Record obtained a copy.

The foundation rated every legislator's pro-business voting record as tracked on 14 key votes in 1989, such as on a rewrite of the state's business corporation laws and on increasing taxes for more highway construction. Other votes from previous legislative sessions dating back to 1986, for a total of 29, are considered.

The report also ranks every legislative district based on its likelihood to support candidates who vote pro-business.

The concern over legislative races grows from a conviction that the national debt has left Congress unable to answer critical needs, said John Davis, the foundation's executive director. Also, the era of Ronald Reagan's presidency has seen the shift to the states and legislatures of many responsibilities once handled by the federal government.

It is in state legislatures, Davis said, that the key decisions are being made affecting businesses and their ability to earn profits.

And because nearly all incumbent congressional candidates win, he said, the best chance of making changes are in state legislatures.

Districts also are ranked politically as strong or leaning Democratic, strong or leaning Republican or "swing" — districts in which Republicans and Democrats are given an even chance of winning.

Four of the Triad's seven Senate districts and two of its 12 House districts were rated as swing.

Overall, more seats held by Democrats

appear open to challenges than seats held by Republicans.

Thirteen of the 38 Democrats in the Senate represent swing districts, compared with two of the 12 Republicans.

Twenty-four Democrats, or nearly a third of the 74 Democrats in the House, are in swing districts compared with less than a quarter of the Republicans — 11 of 46.

Two districts ranked as leaning Democratic are represented by Republicans — the 44th District of Lincoln and Gaston counties, and the 34th District of Cabarrus, Stanley and Union counties. Both are next to Mecklenburg County, where GOP strength has been growing considerably in the past decade.

One of the four Repulicans respresenting the 44th District is the House minority leader, Rep. Johnathan Rhyne, R-Lincoln. In 1984, the district was represented by four Democrats, and Democrats still hold an overwhelming 3-to-1 advantage in voter registration.

"I look at each general election and based on the history and the registration, I consider myself an underdog and try to work accordingly," said Rhyne, whom the report rates as a strong pro-business legislator. "Who the candidates are matters. We'll lose every seat if we don't have good candidates."

There are no districts rated leaning Republican that are represented by Democrats.

Davis said the goal of the report is to get business leaders and contributors to look beyond individual legislators to understand where a legislator comes from.

Some legislators with relatively low pro-business ratings might actually vote better than would be expected, given the district's makeup.

An example is state Sen. Bill Martin, D-Guilford, who has a 60 ranking — not overly friendly to business. But he comes from a district with a mere 33 rating. It means Martin's voting record on business issues is significantly better than one from a candidate whom voters in the district might otherwise be expected to have in the legislature.

"We're trying to get them to be district- and candidate-oriented," Davis said. "An individual may not be a champi-

on of free enterprise but may be a good friend. A lot of people are a whole lot friendlier than their districts."

The Senate majority leader, Ted Kaplan, D-Forsyth, said this year's legislative elections are crucial. They provide an opportunity for Democrats to regain seats lost in 1988. Kaplan, who received a pro-business rating from the foundation, said while business is important to the state, voters are looking for many things in candidates.

"We don't want a legislature that cares only about any particular group, we've got to care for everybody in this state," he said.

Jack Hawke, the state GOP chairman, said his goal is to at least keep the gains made two years ago, when Republicans picked up 13 legislative seats.

Infant mortality rate in NC is increasing

From Henson P. Barnes President Pro Tempore

The infant mortality rate in North Carolina is increasing and has been for the past two years. This is not

acceptable.

In 1977, the Legislature, through the encouragement of the governor, began efforts to reduce the state's infant mortality rate. Dr. Sarah T. Morrow, then secretary of the Department of Human Resources, recalled in a recent letter to the editor that Governor Hunt set up several programs to deal with the problem. A newborn infant screening program was established to identify children with handicapping conditions and those at risk for disabili-Those children who were identified as being at risk then received services at local health department.

In addition, 20 regional high-risk pregnancy clinics for indigent women were set up across the state. Special efforts were directed toward

reducing teen pregnancies.

In the early 1980s the Legislature continued working on the problem. The Legislature's funding to subsidize premature infant care in the neonatal intensive care nurseries was increased. By 1984 infant mortality funding had been increased to \$8 million, up from \$4.6 million in 1980.

The infant mortality rate in North Carolina dropped 21 percent between 1977 and 1985, from 15.8 deaths per 1,000 births to 12.5

deaths per 1,000 births.

Although Governor Martin's budgets in 1985 and 1986 did not recommend any expansion in the area of infant mortality programs, his 1987 budget recommended that Medicaid be expanded to cover more children and pregnant women. At the Governor's request that year, the Legislature appropriated \$1.1 million to increase physician reim-

bursement for maternity care in the Medicaid program.

The Legislature in 1988 appropriated \$10.3 million to expand Medicaid coverage, to increase physician reimbursement for maternity care services and to support the Infant Mortality Prevention and Education Campaign in the media.

Governor Martin in 1989 organized the Commission on Reduction of Infant Mortality. That commission, among other tings, seeks to provide services to teenage mothers who cannot afford the cost of prenatal services. The Governor announced that he intends to seek \$4.5 million from the 1990 Legislature to expand Medicaid to pregnant teens living with their parents. That would expand eligibility to approximately 3,800 young women.

A recent Greensboro News and Record editorial took the governor to task for being too slow to respond to the problem of infant mortality. If he has been slow, in defense of the governor -- not that he needs a defense -- his recent actions were appropriate and should show results.

In order to reduce infant deaths in North Carolina, there must be consistent, long-term support by the governor and the Legislature. In addition, once the state has made services accessible the local agencies must be creative in advertising these services and enrolling eligible persons.

A comprehensive and aggressive approach will decrease the number of infant deaths in North Carolina. The governor and the Legislature must work together to make medical care more accessible to those pregnant mothers who may be at risk in our state. North Carolina can and must do better.

Diamont is seeking his 9th term

State Rep. David H. Diamont of Pilot Mountain filed for election to his ninth term in the state House of Representatives this week.

Diamont said in seeking reelection that the next session of the General Assembly will be crucial because redistricting will be considered. "Redistricting will be one of the key chores for the '91 session because it affects every voter in North Carolina," he said.

Diamont, chairman of the House Appropriation Committee, is a teacher at East Surry High School. He stepped down as football coach at the school last November. Active in First United Methodist Church, Diamont and his wife, Debby, have two children: Ashley and David.

So far, Diamont and his fellow Democratic legislator, Judy Hunt of Blowing Rock, face no primary opposition. NCAA accuses Clemson of illegal recruiting, giving cash to players ■ Page 1C

NOA 8116 MAIL 06 021 0106 DAVID H DIAMONT P 0 BOX 784 PILOT MOUNTAIN NC 27041

sand Observer

Raleigh, N.C.

Wednesday, January 10, 1990



State budget squeeze deepens

Administration says revenues may be \$170 million under projections

By STEVE RILEY

Staff writer

Gov. James G. Martin has learned that he has a \$220 million budget problem. And among the nation's governors, he's not alone.

Administration economists and budget analysts Tuesday briefed the Advisory Budget Commission on the bad news: Slumping corpo-

General Fund.

"We expect the revenue gap to widen to \$170 million by the end of the year," said Marvin K. Dorman Jr., the governor's deputy budget director.

Moreover, the state has experienced at least \$50 million in unexpected expenses - principally hurricane relief and a teacherrate profits, sluggish individual pay schedule that has cost more income tax collections and a than was expected. The double series of unexpected expenses whammy has put North Carolina

have hit the state's \$7 billion on a list of about 27 states that experts say will have difficulty meeting their budgets this year.

> "In the states all along the Atlantic seaboard, there are budget problems this year," said Ronald Snell, director of the fiscal affairs program for the National Conference of State Legislatures. "The long-term signs here are not encouraging. They're more discouraging than they have been in vears."

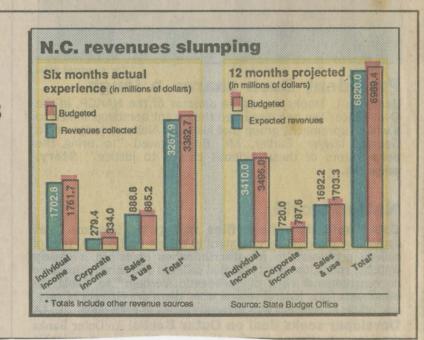
The short-term numbers don't

look good, either.

In New York, Gov. Mario M. Cuomo has to deal with a budget deficit that may reach \$1.5 billion by 1991. In Virginia, Gov.-elect Douglas Wilder will be sworn in this weekend with his state facing a deficit of \$180 million. In Massachusetts, Gov. Michael Dukakis' economic miracle has turned into an \$800 million deficit.

North Carolina's Constitution

See BUDGET, page 9A



The Pilot What a year!

1989 IN REVIEW

January

□A new Hardee's restuarant will be coming to Pilot Mountain in May, accroding to a developer. The announcement was made in early January, but the fast food chain later changed its plans.

The Rev. Bill Edwards, pastor of Brown Mountain Baptist Church and the former pastor of First Baptist in Pilot Mountain, retired Jan. 1.

□Planters Bank on Hwy 268W was robbed on Saturday, Jan. 14. but the suspected robber was arrested just 12 minutes after the robbery was reported. Later in the year, Richard Lee Lester of Mount Airy pleaded guilty to the crime.

Another crime, the hold-up of Lowe's Foods Inc. by a shotgun wielding man on January 11, has never been solved.

□State Rep. David H. Diamont of Pilot Mountain was named chairman of the House Appropriations Committee on January 19.

□It was 77 degrees in Pilot Mountain on January 23, and sidewalks in the town were jammed with walkers, joggers, and bikeriders.

February

DEast Surry's boys and girls basketball teams won the Northwest 2A Conference championships, the first dual championship in school history.

Despite several late winter

snowstorms, including a 10-12 inch snowfall on Feb. 17, the winter of 1988-89 was a relatively mild one, overall.

□Pilot Mountain town manager Billy T. Pell was named Citizen of the Year in Pilot Mountain by the Civic Club in February. Pell's efforts for economic development were cited as the chief reason for his selection.

March

□J&M Variety Store, a longtime downtown Pilot Mountain fixture, is to close in May, owner Jerry Beeson announced on March 1.

□Construction on Skat's, a fastfoot restaurant, started in mid-March.

"We've had it," said two local men on March 22, as they cut their ties with Global Printing and Publishing. Darryl Flowers and Joe Huels announced instead that they will start Pilot Graphics Corporation and will sell stock for a new printing plant.

April

□Pilot Mountain recreation director Jane Johnson resigned April 1 to take a job in private industry.

□O.W. Hauser of Shoals School was named the Surry County Principal of the Year on April 7.

□Herman R. Griffin, longtime principal at Pilot Mountain Elementary School, died at his home

on April 14 after a battle with claimed 47 lives on the USS Iowa Mayfest '89 was a big success on cancer.

A local sailor, Jerry Lynch, was unhurt in the explosion which on April 19.

May

Months of planning paid off as this area was much more minor.

Top ten local stories of 1989

Here are the top ten stories of 1989, as selected by the folks at The Pilot:

- 1. Hurricane Hugo, downgraded to a tropical storm, caused massive damage as it swept through Surry County in September.
- 2. The town of Pilot Mountain marked its 100th birthday during the July 4th weekend with a special Centennial celebration.
- 3. Economic development continued to churn in Pilot Mountain, with Fit-All Sportswear building a new plant, and numerous new businesses locating here, including: Skat's, Pope's, Hunter-James, Gracewood Funeral Home, and C.F. Jones Ice Cream Parlor. Also, plans for a new Food Lion grocery store were reported, and several other other businesses changed hands.
- 4. Former Pilot Mountain Elementary School principal Herman R. Griffin died of cancer in April.
- 5. Joe Coe was elected mayor of Pilot Mountain in November. ousting incumbent Wilson Smith.
- 6. East Surry's boys and girls basketball team captured the first dual conference championships in the history of the school.
- 7. Crimes grabbed the headlines locally in 1989 as Planters Bank suffered its second robbery. Shoppers in the Lowe's supermarket were shocked when a shotgun wielding man robbed the store. And The Pantry was robbed again.
- 8. 1989 was a tragic year on area highways, as three multi-fatality accidents claimed a total of seven lives within five miles of Pilot Mountain. Four former East Surry High School students were among those killed.
- 9. Mayfest '89 was well-attended. Some called it the best Mayfest held here in a number of years.
- 10. East Surry's head football coach, David H. Diamont, announced in late fall that he was stepping down to give more time to his family and his political career.

May 12, 13, and 14.

DA tornado rocked Forsyth County in early May, but damage in

□Skat's, a fast-food restuarant, opened in downtown Pilot Mountain on May 24.

Shoals will have its own volunteer fire department. Voters OK'd a new taxing district for the fire department in balloting during May.

June

Pilot Mountain's Centennial Committee is down to the final details on planning the town's 100th Anniversary bash, slated for June 30, July 1, and July 2, it was reported in an early June edition of The Pilot.

□C.F. Jone Old Tyme Ice Cream Parlor will open in Pilot Mountain later this summer, it was announced in mid-June.

□Another fire at the infamous Copeland tire dump causes headaches for firefighers and a massive column of smoke which could be seen for 30 miles on June 11.

➤ □Tragedy struck on June 24 when former East Surry athletes Mickey Collins and Darin Calloway were killed in a traffic accident on Brown Mountain Road.

July

DJohnny Pritchard of South Westfield, a former Pilot Mountain town manager, was forced out in early July as Surry County Planning Director. The action was initiated by the county board of commissioners.

The Pantry in Pilot Mountain was robbed on July 6 by a man who claimed to have a weapon, but never showed it.

□Two more former East Surry ¥ High School students were killed in a traffic accident. Jolly Doyle Rogers and Lee Roy Joyce were victims of a collision which occured July 9 on U.S. 52 north of Pilot Mountain.

□James Troy Linville died in a fire which occurred at his mobile home on Sechrist Road east of Pilot Mountain on July 16. Although an investigation was launched, the case had not been solved or closed as of January 1, 1990.

August

□Joe Coe and Wilson Smith will be candidates for mayor of Pilot Mountain. Both men filed shortly before the filing period ended on August 4.

□Jeff and Jimmy Gravitte of Pilot Mountain won \$10,000 in the Virginia lottery on August 12.

The Community Bank disclosed plans for a second stock sale in mid-August.

September

DC.J. Jones Ice Cream Parlor held its grand opening in mid-September.

Please See Page 3