



LEGISLATIVE COLUMN

By PAUL FOGLEMAN, EDITOR

At least five North Carolina state senators who have held leadership roles will retire from the legislature.

Sen. Wib Gulley of Durham and Sen. Steve Metcalf of Buncombe already have cleaned out their offices. Sen. Eric Reeves of Wake, an energetic lawmaker who focused on technology issues, has announced he will not seek re-election. His 2002 campaign cost more than \$500,000. A generation ago, not even candidates for governor spent that much money.

Two Republican senators are leaving their seats to run for governor -- Minority Leader Patrick Ballentine of Wilmington and Fern Schubert of Union County. Sen. Schubert is the only woman in the gubernatorial race.

Just these senators represent 10 percent of the upper chamber. The control of the Senate could go to either party with other close races. If the GOP captures the chamber, it would be the first time since Reconstruction.



Not since Reconstruction has the Republican Party controlled the North Carolina Senate. But this year, GOP Senate Leaders Fred Smith of Johnston County and Robert Pittenger of Mecklenburg are working hard to make history and give the GOP control of the chamber. Frequent fund-raising efforts have brought over \$500,000 to the campaign.

The GOP Senate caucus also has employed Fetzer Stephens Inc., a Raleigh political consulting firm, to help the GOP gain a majority. The firm is owned by former Raleigh Mayor Tom Fetzer and Mark Stephens who was Sen. Elizabeth Dole's campaign manager.

Fetzer Stephens Inc. also is working with textiles executive George Moretz who is in the GOP primary fight for the 10th Congressional District seat. He is a first cousin to John Moretz, president of Moretz Inc.

In the meantime, billionaire Jim Goodnight, president of SAS in Cary, is supporting Sen. Marc Basnight, the Democrat president Pro-Tem of the Senate. Goodnight, a registered Republican, also is supporting the re-election of Gov. Mike Easley. Goodnight also is close to Rep. David Miner of Raleigh, the Republican co-chair of the House Finance Committee.



N.C. Gov. Mike Easley and legislative leaders are breathing a little easier these days. April tax collections showed that revenue is running \$112 million ahead of budget projections. Corporate tax collections were up 39.4 percent.

Legislative leaders are saying the "surplus" will enable the General Assembly to provide salary increases for teachers and state employees who have been bypassed over the past two years.

Meanwhile, Alabama legislators are wrestling with a \$109 million budget hole they hoped to fill with increases in cigarette taxes and assessments on nursing home beds which would be covered by federal Medicaid reimbursements.

The powerful associations representing Alabama state employees and educators are lobbying hard for tax increases for salary increases.