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## Paying the freight

A group of business, civic and political leaders has done North Carolina a valuable service by launching a debate over how to pay for a huge demand for infrastructure in the coming years.

That's an important discussion. Our state's population will grow by an estimated 50 percent between now and 2030, to a projected 12 million. That means finding a way to pay for the schools, roads, bridges, parks, water and sewer facilities, housing and green space for an additional 4 million citizens - roughly the size of South Carolina.

"Just imagine having to build the infrastructure of the state of South Carolina in 23 years," said Rep. Bill Owens, D-Pasquotank, chairman of the House Rules Committee and a member of the Partnership for North Carolina's Future.

The group did not propose a way to pay for the infrastructure needs but urged the General Assembly to consider how to do so in ways that keep up with growth. Tom Lambeth, former director of the Z. Smith Reynolds Foundation and chairman of the N.C. Rural Economic Development Center, put it this way: "Meeting the needs of another 4 million people cannot be done by trying to hold this state together with baling wire, belt-tightening and Band-Aids."

Mr. Lambeth and his associates are right. They understand the General Assembly must think broadly and boldly about a steady source of income for a segment of the state budget that too often is addressed only as an afterthought -- usually when there's leftover money. That won't do.

Sen. Dan Clodfelter, a Charlotte Democrat who cochairs the key Senate Finance Committee, said lawmakers must "change the culture around here. We've been doing hand-to-mouth on capital projects. They have to compete every year in the operating budget against the very worthy things we have to pay for every year."

That's why legislators must have the courage to consider such items as raising the tax on auto sales, creating a land transfer tax and other measures to ensure a reliable stream of revenue to meet state needs. Auto dealers and homebuilders, and their customers who will be asked to pay more, will oppose such measures, but their opposition is shortsighted. There's no doubt about whether this state will grow. It will. There's no choice about whether to provide school classrooms, roads or water and sewer facilities for all those who will come here. We must. And there's no way to pay for them without changing our state revenue system.

The notion that the state can meet these needs by cutting its budget elsewhere is not only unworkable, it's not even honest. Our state revenue system was designed for a manufacturing economy that no longer exists. Revamping it must be part of the solution.

The Partnership for North Carolina's Future deserves credit for tackling a difficult and controversial issue. No one wants to pay more taxes -- but the public surely understands that if we're to provide the basic facilities a growing state's population demands, we must develop a revenue system that can pay the piper.