

## 2010 SPPACE Questionnaire

**THOM TILLIS**

### **Candidates for the North Carolina General Assembly State House of Representatives – District 98**

#### **1. What are the top three issues facing your district and how would you address them?**

##### **Education – Continued Underperformance in K-12**

North Carolina lags behind on test scores and graduation rates, and we are consistently ranked among some of the lowest performing states. North Carolina has the resources and the ability to rank among the leading states for student achievement, and we must work together to bring about positive change. Closer to home, we must continue to improve our schools in North Mecklenburg and the entire county and the Charlotte-Mecklenburg School (CMS) systems must be more responsive to addressing overcrowding in many of our schools.

Our ability to become one of the top quartile States on student achievement and test scores will better position our State to compete for the most attractive industries looking for skilled, educated labor pools and will attract families looking for the best places to live and work. The benefits go far beyond this, but these benefits alone are a sound basis for making education a top issue.

##### **Transportation – Congestion and Safety Issues and Economic Development**

We must step up the focus on improving North Carolina highways, roads, and transportation infrastructure. Across the State, our highway and major arteries are simply not keeping up with the growth in many areas. We must increase our focus on priorities and spending for roads, and I believe this can start by passing legislation that allocates a portion of money in the Highway Trust Funds to be used exclusively for projects that will reduce congestion and improve safety on North Carolina's most dangerous roads. I also believe that we should secure support for transforming NC DOT into an agency whose "core competency" is road construction while we "deconsolidate" the process of setting priorities into regions closest to the problem.

We must also consider alternatives to funding roads and infrastructure. Local option sales taxes similar to South Carolina's "pennies for progress" and toll roads need and other approaches to be put into the mix.

##### **Taxes & Spending**

North Carolina continues to lose jobs to neighboring states and offshore competition. We need to enact legislation that will make North Carolina a desired destination not of point of departure. We need to work with local jurisdictions and with businesses to create economic development opportunities that will produce jobs and financial security for all North Carolinians.

With the diverse workforce and natural resources we have been blessed with in North Carolina, I believe North Carolina can become one of the most prosperous State economies. To accomplish this, we must reduce spending and pass legislation that limits spending in the

future and we must pass legislation that promotes economic growth including tax cuts for personal income tax and the corporate marginal tax rates.

- 2. In 2007, the North Carolina General Assembly authorized counties, subject to voter approval, the ability to impose an additional general fund revenue source (a .4% land transfer tax or a .25% sales tax). To date, the transfer tax has been defeated in every county where it has been considered. Would you support legislation to repeal the transfer tax option?**

I was the primary sponsor of a bill to repeal the transfer tax. I spoke against it in the 2007 session and I've consistently and openly opposed it.

- 3. Would you support a local bill enabling Mecklenburg County to impose a real estate transfer tax or impact fee?**

Not under the current tax structure. If such a measure were part of a broader debate of diversifying the tax base and lowering the overall rate, maybe but unlikely.

- 4. Because North Carolina is facing an estimated \$3 billion shortfall, comprehensive tax reform for the state continues to be at the forefront of discussion in the General Assembly. The prevailing thought is to "broaden the base and lower the rate". This means taxing items, services, transactions, etc. that are currently untaxed and either reducing the rate or eliminating altogether the taxes on items, services, transactions, etc. that are taxed at a high rate. Are you in agreement with this concept? Please explain your answer.**

I agree with the concept but the devil is in the details. The overall tax burden on working families and businesses (particularly small business) MUST be reduced. Taxes on "business inputs" must NOT be within the scope. Focus on the final point of consumption is very important. Guarantees in the form of Constitutional provisions should be incorporated to reduce the risk of "bait and switch" – initial lowering of tax rates only to see them creep up quickly thereafter.

- 5. There are over 20 different environmental agencies in the State of North Carolina that regulate water, air quality and land use. Would you support the consolidation of these departments? Please explain your answer.**

Consolidation must occur for a variety of reasons, not the least of which is to reduce the cost of government. We also MUST streamline the permitting process and reduce the cost and overhead of people applying for various permits, etc.

- 6. Do you support giving North Carolina's Counties the authority to hold a "Pennies for Progress" referendum similar to South Carolina's? (South Carolina's program is a 1/4 cent sales tax dedicated to a specific list of projects that sunsets after a period of time or when the projects are completed.) Please explain your answer.**

Yes. I mentioned this earlier in my response regarding key issues.

- 7. Would you consider changing the current NCDOT funding formula to make it more equitable for the growing urban areas? If so, what would you propose?**

Yes. I mentioned this earlier in my response regarding key issues. It is absurd that prioritizing funding is not weighted, in part, based on congestion and safety issues.

- 8. Would you support a Vehicle Miles Traveled (VMT) tax as a means to pay for road construction and/or maintenance?**

Not sure. I would be open to a discussion on any new potential sources of revenue but I would need to better understand the overall economic impact of such a tax on individuals and businesses.