

Ken Goodman: House District 66

Hoke, Montgomery, Richmond, Robeson & Scotland Counties

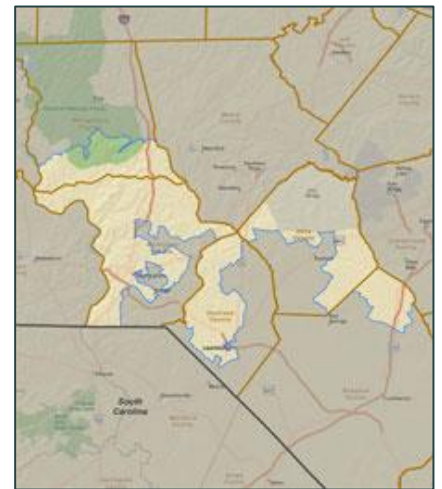
“I voted conservative, and I’m pretty happy about that.” – Ken Goodman, Richmond County Daily Journal, 1/21/12

Real Facts NC’s legislator profile series continues to examine key North Carolina legislators. Despite high unemployment and poverty in his district, Goodman supported policies that favored corporations over teachers, students and families. The 2017 budget lowered the corporate income tax rate, but failed to help low-income North Carolinians with things like a child care tax credit. Instead, tax cuts were prioritized over funding public schools and pre-K. Goodman has a history of votes that hurt education, helping Republicans erode teacher pay and per pupil spending in the state. While people in his district struggle to make ends meet, Goodman votes in favor of big corporations, not “main street.”

Summary:

- *People in Goodman’s district are struggling to make ends meet, but he supports policies that have made things worse.*
 - *All five counties had a higher unemployment rate than the statewide rate as of March 2017*
 - *Median household income is significantly below, while poverty rate is significantly above statewide levels*
 - *There are more children living in poverty and more economically disadvantaged students in Goodman’s district as compared to the rest of the state.*
- *Goodman votes for big business, not main street.*
 - *Goodman supported the 2015, 2016, and 2017 Republican budgets. Lowering corporate income tax rates, expanding the sales tax and increasing fees on NC families that are trying to make ends meet.*
 - *The state is the largest employer in Goodman’s district, but he voted to cut retirement benefits for state employees*
- *Goodman votes against education, helping Republicans break “a long state tradition of strong support for public schools”*
 - *Goodman supported Republican budgets that prioritized tax cuts over funding public education leaving NC near the bottom of national rankings in per pupil spending.*
 - *The 2017 Republican budget shortchanges teachers, their pay increase is merely a “tank of gas”*
 - *Republican budgets included millions of dollars for private school vouchers that benefit urban areas significantly more than rural areas like Goodman’s district.*

House District 66



Rep. Ken Goodman



District Statistics

People in Goodman's district are struggling to make ends meet:

All five counties in Goodman's district had a higher unadjusted unemployment rate than the statewide level as of March 2017. (NC Dept. of Commerce, [March 2017](#))

| Unadjusted Unemployment Rate (March 2017) | | | | | |
|---|------------|----------|---------|----------|-----------|
| Hoke | Montgomery | Richmond | Robeson | Scotland | Statewide |
| 5.9 | 4.8 | 6.3 | 6.8 | 8.1 | 4.7 |

(NC Dept. of Commerce, [March 2017](#))

In Goodman's home county of Richmond, there were 3,094 fewer employed people in the county in December 2016 than there were in December 2007 when the Great Recession began. (Budget & Tax Center, [April 2017](#))

In Robeson county, there were 6,911 fewer employed people in the county in December 2016 than there were in December 2007. (Budget & Tax Center, [April 2017](#))

Median household income is significantly lower in Goodman's district than it is at the statewide level and the poverty rate remains much higher. In Robeson county, the poverty rate is over 30 percent and median household income is more than \$15,000 less than the statewide number. (US Census State Income and Poverty Estimates, [2015](#))

| | Median Household Income (2015) | Poverty Rate (2015) |
|------------|--------------------------------|---------------------|
| Hoke | \$42,819 | 19.9% |
| Montgomery | \$35,447 | 19.9% |
| Richmond | \$33,017 | 28.7% |
| Robeson | \$32,128 | 30.6% |
| Scotland | \$35,447 | 29% |
| Statewide | \$47,884 | 16.4% |

(US Census State Income and Poverty Estimates, [2015](#))

There are more children living in poverty in Goodman's district as compared to the rest of the state. There 42.8 percent of children in Richmond county are living in poverty as compared to 23.4 percent statewide. (Budget & Tax Center, County Economic Snapshots, [April 2017](#))

| 2015 Child Poverty Rate | | | | | |
|-------------------------|------------|----------|---------|----------|-----------|
| Hoke | Montgomery | Richmond | Robeson | Scotland | Statewide |
| 28.5% | 31.3% | 42.8% | 41.9% | 44.4% | 23.4% |

(Budget & Tax Center, County Economic Snapshots, [April 2017](#))

There are more economically disadvantaged students in Goodman's district as compared to the rest of the state. In Montgomery county, 78.08 percent of students are economically disadvantaged as compared to 52.48 percent statewide. (NCDPI, Economically Disadvantaged Students, [2015-16](#))

| 2015-16 Percent Economically Disadvantaged Students | | | | | |
|---|------------|----------|---------|----------|-----------|
| Hoke | Montgomery | Richmond | Robeson | Scotland | Statewide |
| 61.57% | 78.08% | 66.29% | 60.68% | 62.17% | 52.48% |

(NCDPI, Economically Disadvantaged Students, [2015-16](#))

North Carolinians struggle to make ends meet, but Goodman supported Republicans budget that favored big business, not “main street”

- **NOTE:** Goodman voted to override Gov. Cooper’s veto of the 2017 Republican budget. (S257, veto overridden [6/28/17](#))
- **NOTE:** Goodman voted for the 2015 and 2016 Republican budgets which raised taxes on middle class families, cut funding for public school and gave tax breaks to millionaires. (H97, signed [9/18/15](#); H1030, signed [7/14/16](#); S257, veto overridden [6/28/17](#))

The 2017 Republican budget lowered the corporate income tax rate:

Budget favors tax cuts for the wealthy, lowering the corporate income tax rate to 2.5 percent from 3 percent. “The budget will make a series of tax cuts in 2019, a delay from earlier House and Senate tax cut proposals that would have taken effect in 2018. It will reduce the personal income tax rate from 5.499 percent to 5.25 percent and raise the standard deduction – the amount on which people pay no income taxes unless they itemize – to \$20,000 for married couples filing jointly from \$17,500. It will also lower the corporate income tax rate to 2.5 percent from 3 percent. “We are providing tax relief for middle class working families and businesses, and we’re doing it in a prudent way,” Dollar said.” (News & Observer, [6/28/17](#))

As of January 2017, NC’s corporate income tax is the lowest in the nation according to the Tax Foundation. “North Carolina’s corporate income tax rate, which dropped to 3 percent in January, is the lowest in the nation, according to the Washington, D.C.-based Tax Foundation. The foundation is an independent tax policy research organization that analyzes state tax codes and advocates for competitive policies. In North Carolina, the business tax has been reduced each year since 2013, when the state legislature approved a number of significant changes to the tax code. The state’s corporate income tax has dropped from 6.9 percent to 3 percent over the past four years, giving North Carolina the lowest corporate income tax rate of any state that levies the tax, according to the foundation.” (Economic Development Partnership of NC, [1/4/17](#))

The 2017 budget failed to re-establish a child care tax credit that would help more than 200,000 families:

Governor Cooper’s budget calls for the reinstatement of the Child and Dependent Care Tax Credit, which could help more than 200,000 families pay for child care. (Governor’s Office Press Release, [6/1/17](#))

Cooper: “Good child care is expensive, and this credit will help bring down the costs that working families face.” “Governor Roy Cooper has proposed creating a child and dependent care tax credit he said in a news release will help working families afford the cost of child care. “Good child care is expensive, and this credit will help bring down the costs that working families face,” said Cooper. “This tax break will help ensure that children all across the state will show up at kindergarten ready to learn. As the General Assembly begins their budget process, I urge them to include this child and dependent care tax credit that would benefit over 200,000 North Carolina families.” (WNCT, [5/3/17](#))

The Republican House & Senate budgets do not provide a child care tax credit. (Governor’s Office Press Release, [6/1/17](#))

The 2017 Republican budget also cut retirement benefits for state employees:

The state is the largest employer in all five counties in Goodman's district. N.C. public schools are the largest employer in Hoke, Montgomery, Richmond, Robeson and Scotland counties. (NC Dept. of Commerce, Quarterly Census of Employment and Wages, retrieved [9/22/17](#))

Under the Republican budget, state employees hired after 2021 will not be eligible for health insurance after they retire. "People who go to work for the state beginning January 2021 will no longer qualify for state health insurance when they retire, a provision in the budget that caught critics by surprise. Republican state senators want limits on future retiree benefits to control costs and get the state more in line with perks private-sector employees get. The state employee health plan has a \$42.2 billion unfunded liability, estimated future costs that are outpacing revenue. The retiree health care provision is in the budget the legislature passed this week. Republican senators filed a bill limiting future state employees' retirement benefits that received a committee hearing earlier this year. That bill never went to a vote. The change will not affect current employees or retirees, or anyone hired before 2021." (News & Observer, [6/23/17](#), S257, Vetoed [6/27/17](#), Senate Veto Override [6/27/17](#), House Veto Override [6/28/17](#))

Eliminating retirement health benefits could hurt recruitment and retention of state employees, including teachers. "Representatives from state employee, retiree and teacher organizations said eliminating the retirement benefit will hurt recruitment and retention. State salaries don't compete with private-sector wages, they said, so retiree benefits are an important lure. Mark Jewell, executive director of the North Carolina Association of Educators, said everyone thought the proposal to end retiree benefits was dead. "Then, it sneaks up buried in the budget," he said. Ending state health coverage for retirees is going to make it harder to hire teachers, he said. New teachers won't want to stay in the profession for 30 years. "We have a statewide teacher shortage crisis," Jewell said. "This is going to exacerbate it." (News & Observer, [6/23/17](#), S257, Vetoed [6/27/17](#), Senate Veto Override [6/27/17](#), House Veto Override [6/28/17](#))

2016 Budget contained "top heavy tax cuts" and raised \$22.4M in new taxes through sales tax expansion alone

"Without the top heavy tax cuts, the legislature could have added to the reserve and met today's needs." "And then consider the budget's putting \$475 million into the state's rainy day fund. Republicans apparently are proud of bringing the fund to a near-record level. It is the reserve that helps the state deal with natural disaster and the like. That's all well and good, but without the top heavy tax cuts, the legislature could have added to the reserve and met today's needs. There would be money to give state employees a decent raise for a change, or to restore the Teaching Fellows program, or to bolster something like the state's funding for film companies that do business in the state, funding that has been reduced." (News & Observer, Editorial, [6/28/16](#))

Sales tax expansion expected to bring in \$22.4M in new taxes. "Sales Tax - Modify Base on RMI - Removes Retail/Non-retail Distinction, Applies Capital Improvement Test 22,400,000" (H1030, Joint Conference Committee Report, p.1, [6/27/16](#))

2015 Budget increased fees on North Carolina families, with the state expected to bring in \$200M in extra revenue on DMV fee increases alone to pay for corporate tax handouts.

Budget signed by McCrory cuts corporate tax rate to 4%, with the possibility of a further reduction to 3%. "North Carolina's corporate income tax rate will drop to 4 percent this year and could drop to 3 percent in future years if the state meets certain income triggers." (WRAL, [9/18/15](#); H97, signed by Gov on [9/18/15](#))

Budget included provision to extend revenue target needed to trigger a further reduction of corporate tax rate to 3%. “A new round of tax cuts in the \$21.735 billion state budget for 2015-16 may prevent the state from lowering the corporate income tax rate to 3 percent in 2017 because tax collections are projected to be \$74.7 million lower than a revenue target set two years ago. But a provision of the budget, which passed the Senate Tuesday by an initial 33-16 vote, would allow the rate to fall to 3 percent if that tax-collection mark is reached in a future budget year.” (*The Carolina Journal*, [9/16/15](#); H97, signed by Gov on [9/18/15](#))

Final budget included provision that allows for corporate rate reduction to 3 percent in any year where revenue exceeds \$20,975,000. “Trigger. – If When the amount of net General Fund tax collected in a fiscal year 2014-2015 or fiscal year 2015-2016 exceeds twenty billion nine hundred seventy-five million dollars (\$20,975,000,000), the targeted amount for that fiscal year, the rate of tax set in G.S. 105-130.3 may must be decreased in accordance with this section to three percent (3%) effective for the taxable year that begins on the following January 1. The Secretary must notify taxpayers if the rate decreases under this section. The rate is decreased by one percent (1%) if net General Fund tax collections for fiscal year 2014-2015 exceed the targeted amount of twenty billion two hundred million dollars (\$20,200,000,000). The rate is decreased by one percent (1%) if net General Fund tax collections for fiscal year 2015-2016 exceed the targeted amount of twenty billion nine hundred seventy-five million dollars (\$20,975,000,000). Effective for taxable years beginning on or after January 1, 2017, the rate of tax set in G.S. 105-130.3 is the rate determined in accordance with this section. (H97, Section 32.13(b); signed by Gov [9/18/15](#))

Goodman votes against education, eroding teacher pay and per pupil spending

- **NOTE:** Goodman voted for the 2015, 2016, and 2017 Republican budgets which hurt NC schools, spending less per pupil and paying teachers less. (H97, signed [9/18/15](#); H1030, signed [7/14/16](#); S257, veto overridden [6/28/17](#))
- **NOTE:** N.C. public schools are the largest employer in Goodman’s district, but his vote for the budget hurt students and teachers alike. (NC Dept. of Commerce, Quarterly Census of Employment and Wages, retrieved [9/22/17](#))

Goodman supported Republican budgets that broke “a long state tradition of strong support for public schools:”

“For the past five years in North Carolina, conservatives have dictated education... and for students and teachers, the result has been a mess.” “For the past five years in North Carolina, conservatives have dictated education (and every other policy) at the state level — and for students and teachers, the result has been a mess. A December 2015 report by a division of the progressive North Carolina Justice Center, N.C. Policy Watch, called [“Altered State: How 5 years of conservative rule have redefined North Carolina”](#) explains in detail how life has changed in the state as a result of conservative policies. With regard to education, it says spending per student has fallen 14.5 percent since fiscal year 2008: ‘In the 2013–15 biennial budget, the legislature’s allocation for public schools was more than \$100 million below what the state budget office recommended as necessary to maintain the status quo and more than \$500 million less (adjusted for inflation) than what was spent on public education in 2008. And the new budget for 2015–17 continues that trend with investments that remain well below 2008 pre-recession levels, spending roughly \$500 less per student. In 2014, North Carolina ranked 47th in the nation in per-student spending.’” (Washington Post, [5/18/16](#))

Goodman and the NC GOP “have shirked their responsibility and broken a long state tradition of strong support for public schools.” “This Election Day should be a day of reckoning for North Carolina’s Republican legislative leaders who have shirked their responsibility and broken a long state tradition of strong support for public schools. Instead of investing in the state’s children, instead of improving education as a way for poor children to escape poverty and all children to achieve goals, the Republican-led General Assembly has chosen to reduce state taxes, mostly to the benefit of the wealthy and big corporations. Billions of dollars in tax revenue that could have lifted North Carolina’s schools to new heights instead has been diverted into tax cuts that have produced no tangible results. Republican lawmakers are acutely aware of their culpability in this choice, but instead of defending it or apologizing for it, they’re denying it. Even worse, they’re claiming credit for *increasing* spending on public education. This is duplicity joined with sophistry, and it should stir the smoldering anger over the neglect of public schools into outrage.” (News & Observer, Editorial, [8/20/16](#))

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The 2017 budget prioritizes tax cuts over funding public education:

The Republican budget continues the trend of cutting taxes rather than raising per pupil spending. “This budget will cut individual income tax rates to 5.25 percent from 5.499 percent and the corporate rate to 2.5 percent from 3 percent in the second year, costing the state \$900 million annually when fully implemented. This means that the legislature will eventually have cut \$3.5 billion annually in all its tax cuts – money that could have gone for services. North Carolina, for example, ranks 41st nationally in per pupil spending for public education. Here is a question for lawmakers: Which is most likely hindering industrial recruitment and economic development in small-town North Carolina – high taxes or poor schools?” (News & Observer Editorial, [6/24/17](#), S257, Vetoed [6/27/17](#), Senate Veto Override [6/27/17](#), House Veto Override [6/28/17](#))

According to NEA, N.C. is currently ranked 43rd in per pupil spending, down from 42nd last year. North Carolina was ranked 42nd in per pupil spending in 2016. North Carolina was projected to rank 43rd in per pupil spending in 2017. (NEA Rankings & Estimates, [2016-2017](#))

NC currently spends \$3,044 less per student than the national average. North Carolina’s per pupil spending in fall enrollment in 2016 was \$8,954. North Carolina’s per pupil spending in fall enrollment projected for 2017 was \$8,940. North Carolina’s per pupil spending in fall enrollment projected for 2017 was \$8,940. The US Average per pupil spending in fall enrollment projected for 2017 was \$11,984. (NEA Rankings & Estimates, [2016-2017](#))

NC remained “near the bottom of national rankings” by 2016 per pupil spending after 2015 and 2016 Republican budgets, spending lower than recession-era levels when accounting for inflation:

“North Carolina remains near the bottom of national rankings” in per pupil spending, which “has not returned to its pre-recession level.” “North Carolina remains near the bottom of national rankings. Indeed, after six years of Republican control and an improving economy, per-pupil funding in inflation-adjusted dollars has not returned to its pre-recession level. In 2008-09, it was \$6,237. Today, it is \$5,616.” (News & Observer, Editorial, [8/20/16](#))

NC per pupil expenditure in 2016 was \$5,616. “In terms of per-pupil funding, the most telling measure of a government’s commitment to public education, North Carolina remains near the bottom of national rankings. Indeed, after six years of Republican control and an improving economy, per-pupil funding in inflation-adjusted dollars has not returned to its pre-recession level. In 2008-09, it was \$6,237. Today, it is \$5,616.” (News & Observer, Editorial, [8/20/16](#))

When accounting for inflation, education spending has been cut, “North Carolina K-12 system had roughly 10 percent less buying power at its disposal than it did 10 years ago.” “So, while the state Senate proposes spending \$8.32 billion on public schools next year, and that is more in raw dollar terms than any other year before, [constant dollars tell a different tale](#). Figures produced by the General Assembly’s nonpartisan Fiscal Research Division show that, in constant 2008 dollars, education spending has dropped from \$8.1 billion in the 2007-08 budget year to \$7.3 billion starting July 1 if the Senate budget were enacted. Put another way, North Carolina K-12 system has roughly 10 percent less buying power at its disposal than it did 10 years ago.” (WRAL, [6/24/15](#))

The 2017 Republican budget shortchanges teachers, the pay increase is merely a “tank of gas:”

Many educators, including veterans of 25 years, will only see an increase of \$30 a month, merely a tank of gas. “The newly unveiled North Carolina state budget does include increases in teacher pay, but they are neither big nor dramatic. Many educators – including veterans who have devoted 25 years or more to our state’s children – will see an increase of \$30 a month. That amounts to little more than a tank of gas, which will hardly be enough to allow teachers to quit their second or third jobs.” (Charlotte Observer, Op-Ed, [6/21/17](#), S257, Vetoed [6/27/17](#), Senate Veto Override [6/27/17](#), House Veto Override [6/28/17](#))

2015 and 2016 Republican budgets included millions of dollars for private school vouchers that benefit urban areas more than rural areas of the state:

\$34.8M for opportunity scholarship grant fund reserve to fund scholarship for subsequent fiscal year. “Establishes an Opportunity Scholarship Grant Fund Reserve in order to shift the program to forward funding. The Reserve will be used to fund scholarships for the subsequent fiscal year. The revised net appropriation for the Opportunity Scholarship Grant Fund Reserve is \$34.8 million.” (H1030, Joint Conference Committee Report, pF24, [6/27/16](#))

2015 Budget put \$10.8 million in Opportunity Scholarship Program funding. “Under the program, families can apply for annual grants of \$4,200 per child per year to help defray the cost of tuition to a non-public school. Lawmakers set aside \$10.8 million for thousands of such vouchers.” (WRAL, [2/24/15](#))

2016 Budget added \$34M to Opportunity Scholarship Program bringing total to over \$46M since program began. “Establishes an Opportunity Scholarship Grant Fund Reserve in order to shift the program to forward funding. The Reserve will be used to fund scholarships for the subsequent fiscal year. The revised net appropriation for the Opportunity Scholarship Grant Fund Reserve is \$34.8 million.” (H1030, Joint Conference Committee Report, p.F24, [6/27/16](#))

Most opportunity scholarship dollars are going to urban areas, not rural parts of North Carolina

HEADLINE: “Where is NC school voucher money going?” (Asheville Citizen-Times, [11/8/14](#))

“Most Opportunity Scholarship voucher recipients live in metro areas.” “Most Opportunity Scholarship voucher recipients live in metro areas, with Wake County leading the list with 351 recipients in 2015-16 as of Jan. 4 of this year. Cumberland County accounted for the second largest number of recipients - 307. Guilford, Mecklenburg and Forsyth counties were the only other counties with recipient numbers in triple digits - 237, 237 and 157 recipients, respectively.” (Fayetteville Observer, [2/25/16](#))

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