

## Hub tier bill passes, sales tax waits

By CHARLIE RICHARDS, *Daily Dispatch* Writer

Last minute maneuvering in the hectic final hours of the 2005 session of the N.C. General Assembly left the Kerr-Tar Hub project with the tier-sharing authority it needs, but Vance and other counties will have to wait for another try to get a sales-tax option for building schools.

Those two issues were of greatest interest to the Tri-County Area as the legislative session came to an end Wednesday.

Sen. Doug Berger, Franklin County Democrat who represents the four counties of the Hub group, said the tier-sharing bill was caught up with many other bills and last-minute complications, but after the dust cleared early Wednesday morning, it was ready for the governor's signature. Reps. Jim Crawford, Michael Wray and Lucy Allen, who represent Granville, Vance, Warren and Franklin in the House, were engaged in "truly a team effort" said Berger, who watched House action during the sessions that lasted all night.

The result, as described by Neil Mallory, Kerr-Tar Council of Governments executive, is the "opportunity is there" for the four counties to complete organization of the Hub.

Tier-sharing became an issue of concern last week when Warren County economic development leaders and county commissioners objected to sharing that county's low ranking, which carries high tax credits for new industries. But before the week ended, Warren had been convinced the counties that would gain from sharing the tier status, Granville and Franklin, will negotiate in good faith to find some benefits for the two economically disadvantaged counties, Vance and Warren. Vance leaders had agreed to support the legislation authorizing the sharing of tier status as it applies to the Hub sites.

Four large industrial park sites have been chosen for joint development by a nonprofit organization formed by the four counties. An interlocal agreement cementing the partnership and establishing how it will work, is the subject of ongoing negotiations.

Mallory said talks among the county representatives have been "frank and open" about the tier sharing and other matters. The sharing authority was considered necessary for the talks to be successful.

The bill, introduced earlier by Berger at the Council of Government's request, had passed the Senate last week and, with the Warren concerns smoothed over, passed the House Tuesday and Wednesday.

But the legislation requested by Vance and other counties to allow them the option of letting citizens vote an additional half-cent of sales tax for school building did not make it through the final hours. However, should the Senate be called back next week the matter could come up for discussion and a

vote.

Crawford said two versions that included Vance made it through the House, but the Senate session, which ended about 6:30 a.m. Wednesday, did not last long enough for Berger and other supporters to get it through, Berger said.

The bills will be eligible for further consideration next May when the legislature convenes for its short, election-year session.

Legislative leaders are reluctant to give up authority to control the level of the sales tax levy, but Berger said he thinks the bill will have a reasonable chance next year.

Vance leaders, along with those from several other counties, want the authority to consider the sales tax as a solution to the need for school building funds. Granville, which is in the midst of a building program using bonds backed by property taxes and other revenues, has not been included in that group so far, but could seek to be added next year, Crawford said.

Another bill of interest to Granville, the technical corrections bill which includes a delay of one year for implementation of the tax increase on Butner property, moved through the legislative process in the final day Wednesday.

The legislature had increased the tax from 20 to 25 cents to cover the cost of fire and police protection in the state-run town. It was made effective July 1, but the action came after Granville tax bills already had been mailed.

Another matter of interest to Granville did not find favor in the legislature. Granville and a number of other counties sought to be added to the short list of those authorized to levy an impact fee on new development to pay for school construction.

Home building interests have blocked such legislation, and they have challenged Granville's new impact fee through court action.

Sen. Berger said one other item of interest to area municipalities squeezed through the final hours. It brings part-time law enforcement officers under death-benefit coverage.

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