



# NORTH CAROLINA



## A SUMMARY OF FINDINGS, FACTS, VISIONS, GOALS, AND TARGETS

## Visions, Goals, Measures, Targets

You will be seeing these terms repeatedly in the pages that follow, so let us define them up front.

- **Vision:** a special, unusual foresight that represents our highest and best expectations for one of the eight issue areas, at a future time (the year 2020).

*Example: All families and children are healthy and live in safe and vibrant communities.*

- **Goal:** a "word picture" of where we want to be, and the conditions or standards that have to be in place, i.e., sketching out what we mean by making our economy, our communities and our people and their lives "better."

*Example: North Carolinians will have adequate and affordable housing options.*

- **Measure:** a quantitative indicator of progress toward the target.

*Example: Percentage of households paying more than 30% of their income for housing.*

- **Target:** a measurable milestone of where the state must be along the timeline toward 2020 to achieve the goal

*Example: The proportion of North Carolina renters paying 30% of their income or more in rent will decline to 25%. The proportion of homeowners with housing expenses exceeding 30% of income will decline to 13%.*

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The North Carolina Progress Board is a permanent, independent state board made up of twenty four <sup>1</sup> members, appointed by the Governor, leaders of the General Assembly, and the Board itself to represent a cross section of the state. The Board is chaired by the Governor and, for administrative purposes, reports to the University of North Carolina Board of Governors.

The North Carolina Progress Board's mission is to define a long-term vision for the future of the state, set clear goals for attaining that future, and measure North Carolina's progress in reaching those goals. The vision allocated to eight "imperatives" that must be attained – sustained. They are: **Healthy Children and Families, Quality Education for All, A High Performance Workforce, A Prosperous Economy, A Sustainable Environment, 21<sup>st</sup> Century Infrastructure, Safe and Vibrant Communities, and Active Citizenship/Accountable Government.**

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<sup>1</sup> Membership amended from 20 to 24, in SL2001-424, Senate Bill 1005, Regular Session, 2001.  
(Statutory Authority: North Carolina General Statute 143B-372.1)

## Introduction and Commentary

### North Carolina 20/20

Anyone who has followed the state budget crises of the past two years understands that North Carolina is at a critical juncture. Questions abound about how the state can press forward with improvements in education, mental health care, early childhood development, and criminal justice while remaining fiscally sound. Other concerns reverberate as more of our traditional manufacturers close their doors and the up and coming "New Economy" industries retrench. Is any job safe anymore? Speaking of safety, on the drive to work this morning . . . . While these immediate issues grab our attention, it is more important than ever to keep a long-term perspective. The decisions our state makes today and tomorrow will carry forward for generations to come — for good or ill.

The North Carolina General Assembly recognized the need for such foresight when it established the N.C. Progress Board in 1995. The board's charge is to look down the road as far as possible: taking stock our strengths, reflecting on current needs, and recognizing the challenges to come. From that, the General Assembly said, we were to establish a set of goals describing where North Carolina wants to be 20 years hence and, equally important, a system for measuring our progress toward those goals. To this end, the Progress Board undertook a multi-year process that involved hundreds of people across the state and culminated in December 2001 with the release of the *North Carolina 20/20* report. The document you hold in your hands summarizes the findings and conclusions of that report.

*"That's all well and good, but what are we supposed to do about it?"*

We've heard such statements a number of times in our process so perhaps we should pause here to mention what we don't do. Our job is not to design programs or advocate specific policies. There can be many different approaches to solving a common problem, and more than one can be equally valid. We are not here to dictate (or even try to dictate) *which* policy or program the state adopts or rejects or expands. Instead, we offer what we hope is an objective measuring stick, a way to reflect coolly on whether the right issues are being discussed, whether programs address the most critical challenges, and whether promised solutions are in fact delivering the intended results.

As for what we will do: We *will* challenge our leaders to look beyond the day's headlines and be guided by the long-term needs of the state and her people. It's way past time to settle for the expedient solution or the short-term fix. Neither has worked in the past; and neither ever will.

For the most part, we'll allow the findings of the *20/20* report to speak for themselves, but it is worth pointing out one striking conclusion. In its instructions, the General Assembly outlined eight key issue areas for our work:

- Healthy Children and Families,
- Safe and Vibrant Communities,
- Quality Education for All,
- A High-Performing Workforce,

- A Prosperous Economy,
- A Sustainable Environment,
- A 21<sup>st</sup> Century Infrastructure, and
- Active Citizenship and Accountable Government.

We organized our findings according to these divisions, but throughout our work, we were struck repeatedly by the interconnections of these broad concepts. That are, in fact, inextricably intertwined. Touch an issue in one area, and it will reverberate throughout them all.

Consider, for example, the issue of poverty. We have made reducing poverty the No. 1 goal under Healthy Children and Families. People who live in poverty are at high risk of poor physical and mental health and often lack access to health care. Child abuse and neglect occur 22 times more often in low-income families and often lead to an endless cycle of poverty and abuse. All of these issues are covered under the Healthy Children and Families umbrella.

But poverty doesn't stop there. It also is related to:

**Safe and Vibrant Communities.** Statewide, North Carolina suffers from a severe shortage of affordable housing, leaving poor families in crowded or inadequate housing — or paying far more than they can afford to keep a roof over their heads. Poor people also are far more likely to become victims of crime and to live in areas vulnerable to natural disaster, as we saw in the aftermath of Hurricane Floyd.

**Quality Education for All.** Poverty is closely tied to low educational achievement, which in turn stymies efforts to produce the High Performance Workforce, which is required to create a Prosperous Economy.

**21<sup>st</sup> Century Infrastructure.** A lack of dependable transportation has been cited as one of the greatest roadblocks to steady employment and advancement among participants in the state's Work First welfare program. If people can't get to work, they'll lose their jobs. High turnover affects the employers' bottom line, and without an adequate workforce, those employers can't expand or build new plants or in general help create a Prosperous Economy.

**Active Citizenship and Accountable Government.** Government outlays for Medicaid, which helps pay for health care for poor people, are a growing strain on the state's fiscal resources. In addition, localities with high levels of poverty lack the resources to invest in the Quality Education and Infrastructure that could help them attract better paying jobs (Prosperous Economy), protect the Environment, and make their Communities better, healthier, safer places to live.

Nor is poverty an exception in its widespread ramifications. Education ties in closely with Workforce Preparation and the ability of the state and its localities to attract and grow business, particularly the higher-wage jobs in emerging industries and in the competitive, modernized companies of our traditional industrial base (Prosperous Economy). Investments in higher education enable the research that creates business opportunities as well as educated workers. The higher incomes these jobs bring correlate with better health and retirement savings (Healthy Children and Families), greater civic participation (Active Citizenry), and higher property values that generate the revenues that enable an Accountable Government to provide better services and invest in Infrastructure and Education.

Urban sprawl provides another example. Driven in part by local planning decisions (Accountable Government) and in part by housing costs (Safe and Vibrant Communities), it is taxing our highways (21<sup>st</sup> Century Infrastructure), eating up open space and polluting our air

and water (Sustainable Environment). Long commuting times stress Families and deprive communities of Active Citizen involvement in local affairs. An inefficient and overburdened transportation system also costs businesses through lost work time as well as delays and higher costs in the delivery of goods and services. Business opportunities can be lost all together (Prosperous Economy).

You get the picture. Throw a pebble into any one of these issue areas, and eventually the ripples encompass them all. For this reason, we believe it is a serious error to consider any issue area or its related visions, goals, measures, or targets, without considering the total package. We have come to call the issue areas “imperatives” because we feel that none of them is dispensable; each one is essential.

While this report marks a milestone for us, we realize that the work has just begun. We must share our findings with you — and others like you all across this state, learn from your expertise, and incorporate your opinions as we refine our work in the years to come. We also take seriously our charge to measure the state's progress in moving toward its goals, to report that progress to the people and their leaders, and to press everyone to keep the big picture - the long-term results - in mind in their decisions every day.

No matter what course we follow now, what North Carolina is becoming is quite different from what we've been. We want to join you in make sure that the changes lead to a quality of life for all of North Carolina.

All of our lives we've heard the saying "hindsight is 20/20." It's time to make *foresight* 20/20.

# Roadmap

## What is in this report and why

**The N.C. Progress Board.** The Progress Board was created by the General Assembly in 1995, upon the recommendation of the Commission for a Competitive North Carolina. The board is chaired by the Governor and made up of 23 members appointed by the Governor, Speaker of the House of Representatives, President Pro Tem of the Senate, and the Board itself to represent a cross-section of the state. Initially housed in the Department of Administration, the Board now is attached administratively to the Board of Governors of the University of North Carolina system.

**Our charge.** Our mission is to help the state's leaders and citizens pause, reflect, take stock, and keep score, based upon a long-term view of what the state is to become, together with what it needs. That includes setting milestones and checking progress.

**Reporting to North Carolinians.** A key role of the Board is to report the results of its research and analysis in ways that are useful to North Carolinians and North Carolina institutions. Our first report, issued in 1997, covered four of the eight imperatives defined by the Competitiveness Commission: A Prosperous Economy, Quality Education for All, Sustainable Environment, and Healthy Children and Families. With this 2001 report, we are refining and updating the first four areas and fleshing out the rest: Safe and Vibrant Communities, A High Performance Workforce, 21<sup>st</sup> Century Infrastructure, and Accountable Government/Active Citizenship.

**Organizing NC 20/20 findings and conclusions.** To make sense of the huge volume of data that describe our state, and us, we had to adopt a structure that would suggest a manageable set of visions, goals, and measures for North Carolina in the year 2020. We imposed some tough limits on the numbers of goals and measures. We found we could only work with so many puzzle pieces at once.

In this condensed version of the 20/20 report (the full text is available online at the address below), you will notice the following organization:

- The imperative with its vision, representing our highest and best expectations for the year 2020.
- Under each imperative, a limited number of goals that help sketch out what we mean by the vision. We've included a short explanation and a few facts elaborating on why we find this goal to be critical.
- Specific targets for the measures we selected to track our progress. Except where noted, these targets are for the year 2020.

**The citizen's role.** Our work is -- and always will be, by definition -- a work in progress. To reach this point, we talked with several hundred North Carolinians in interviews, listening sessions, and other public meetings to get their sense of where North Carolina is

and where we should be headed. Now it's your turn. We need to hear from you. Have we spelled out the right vision? Do the goals, measures, and targets make sense? Is this where you *really* want North Carolina to be in the year 2020? In our effort to be concise, have we omitted critical goals or measures?

At the back of this book is a response form. We hope you'll take a few minutes to fill it out. If you're attending one of our citizen assemblies, you may leave it with us then. If not, mail it to us or fill out the online version on our website. Don't feel limited by the questions we've asked. Take as many pages, and address as many issues, as you like. We look forward to including your thoughts as we continue to sharpen North Carolina's vision for 2020.

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Imperative 1: **Healthy Children and Families**



**Vision**  
20/20

## Healthy Children and Families

### Vision for 20/20

**Families and individuals of all ages thrive in North Carolina. From early childhood well past retirement, our citizens are mentally and physically fit, with no significant differences in health across racial, ethnic, or geographic lines. Our most vulnerable citizens -- children and the elderly -- are surrounded by a supportive family and community.**



#### **Goal 1: Fewer North Carolinians will live in poverty and near poverty.**

Poverty puts people at risk of nearly every negative factor we can measure, including poor health, lack of health insurance, failure in school, child abuse and neglect, inadequate housing, and crime victimization. All of these factors create a drain on the rest of the community as well. High levels of poverty make communities less attractive places to visit or locate businesses and prevent those communities from investing in their own futures, including the very support systems many families need to survive and thrive. Unless we tackle this core problem, we will forever be addressing its consequences.

#### **Facts:**

- 28% of all North Carolinians have incomes below 200% of the federal poverty level. This 200% level approximates a living income standard.
- A disproportionate number of our most vulnerable citizens -- 38.4% of all children and 33% of seniors -- live in households below 200% of the federal poverty level.
- Of the state's elderly population, rural African-American women are particularly likely to be poor, with poverty rates exceeding 80% in some counties. (p16, f32)
- The gap between the rich and poor North Carolinians is growing. (p.13, f18)
- In 1997, North Carolinians earned \$26,672 compared with a national median of \$30,336.
- Women earn less than men do: about 74 cents to the dollar.
- Single mothers and minority women are clustered in jobs that tend to pay even less.
- Only 40% of Baby Boomers now employed in NC can expect a pension on retirement. (p16f33)
- Although 73% of non-Hispanic white families in NC own their homes, only half of minorities do. (p17f35)

#### **Targets:**

1) **Poverty.** Reduce by one-half the proportion of the population living below 200% of poverty. Better than average improvements should be made among the elderly, minorities, and rural residents.

2) **Annual Wage.** North Carolinians will earn at least the national average annual wage. North Carolinians currently earn about 88% of the national average.

3) **Retirement incomes.** Increase by one-third (to 70%) the percentage of North Carolinians 65 and older with retirement incomes beyond Social Security.

4) **Home Ownership.** Increase the overall rate of home ownership by 2 percentage points (to 73%) through emphasis on raising homeownership among minorities and first-time buyers.

## **Goal 2: North Carolinians will follow good health practices.**

Health behaviors are estimated to account for 50 percent of a person's health status. If our citizens are to be healthy and if we're to lower the cost of health care, increase our productive capacity, and enjoy life to its fullest, we should first look at how we live. In North Carolina, the answer is none too well. We see a high prevalence of lifestyle-related ails, such as heart disease, stroke, chronic obstructive pulmonary disease, and diabetes.

### **Facts:**

- 2/3 of North Carolina's preventable deaths (and a \$6 billion annual drain on the economy) stem from three factors: tobacco, poor nutrition, and lack of physical activity.
- Tobacco use alone accounts for 40% of those deaths.
- Smoking rate: 30% overall; 19% of 12 to 17 year olds, 45% of 18 to 25 year olds, and 29% among those 26 years and older.
- 56% of adult North Carolinians are overweight and 19.8% are obese.
- 25% of high schoolers and middle schoolers are overweight.
- In Eastern North Carolina, the rate of death by strokes is double the national rate. (P18 f45)
- Nationwide, NC ranked 1st in the number of cases of syphilis and 4th in the rate of the disease in 1998.
- HIV/AIDS is rising among African-Americans and women. In 1999, African-Americans accounted for 70% of all AIDS cases in the state and women for 27%.
- The economic costs of substance abuse and addiction in NC are estimated at \$5 billion to \$7.6 billion annually. (p22f67)
- Binge drinking rate: 16.6% overall; 9% of 12 to 17 year olds; 31% of 18 to 25 year olds; 15% of those 26 and older.
- Illicit drug use rate: 11.5% of 12 to 17 year olds, 15% of 18 to 25 year olds, and 4% among those 26 years and older.
- In 2000, 87.2% of 2 year olds had received all of the recommended vaccines against childhood diseases. (p23f84)
- In 1998, less than half of the state's elderly had been vaccinated against the flu and pneumonia. (p23f86)

### **Targets:**

1.) **Smoking.** Reduce the overall rate of smoking by two-thirds so that no more than 10 percent of adults or teens smoke.

2) **Obesity.** The percentage of overweight children will decline to 7%. No more than 37% of adults will be overweight, and no more than 13%, obese. This figures represent a reduction in the occurrence of overweight and obesity among children by 50% and among adults, by 33% or more.

3) **Syphilis/HIV.** Eradicate syphilis in North Carolina, and reduce the rate of new HIV infections by half to 9 per 100,000 population. Syphilis has been declining, but North Carolina's rate (9.6 per 100,000 population) remains one of the highest in the nation.

4.) **Substance Abuse.** Cut in half the percentage of the population who indulge in binge drinking or use illicit drugs, across every age group. Fewer North Carolinians drink alcohol than on average nationally, but those who do apparently drink significantly more.

5.) **Vaccinations.** Substantially increase the percentage of the target populations who receive recommended vaccinations. All children should receive recommended vaccinations, a 15% improvement over 2000. The rate of flu and pneumonia vaccinations among the elderly should double, to 85 percent.

### **Goal 3: North Carolinians will have access to health care.**

Lack of access to health care carries a high price tag. People avoid or are unable to obtain preventative services. Delays in treatment result in later diagnoses when illnesses are more difficult and more expensive to treat. Those high costs in turn get passed along to the public purse and to private individuals and companies with the ability to pay, through an indirect process called cost-shifting.

#### **Facts:**

- 1.5 million North Carolinians (15.5%) lack health insurance; another 1 million are underinsured.
- 225,000 children are not covered by health insurance.
- 60% of those uninsured have incomes below 200% of the federal poverty level.
- 21 counties and parts of 23 other counties are considered areas of persistent health professional shortages.
- A 1995 survey showed that only 4% of adults who needed substance abuse treatment received it. (p27,f115)
- Almost 10% of private substance abuse treatment beds closed during 1999-2000. (p27,f116)
- Suicide ranks in the top 10 causes of death for nearly all age groups in North Carolina.
- North Carolina's suicide rate exceeds the nation's. (p28f120).

#### **Targets:**

1) **Health Insurance.** All North Carolinians will be covered by health insurance. Currently, 15.5% lack health insurance. Even though N.C. Health Choice has brought down the number of uninsured children and Medicaid coverage has increased, the number of uninsured adults has increased.

2) **Health Care Professionals.** The number of primary, dental, and mental health care professionals will be adequate to serve all North Carolinians, regardless of where they live. Currently, the supply of such professionals fails to meet the needs of roughly 10% of the population.

3) **Substance Abuse Treatment.** The number of adults receiving comprehensive substance abuse treatment, as a percentage of those who need it, should more than triple. Even this substantial increase would represent a treatment rate of only 20%.

4) **Suicide Death Rate.** Reduce the overall rate of death by suicide to no more than 6 per 100,000 population and the rate of youth suicide to no more than 4 per 100,000. The age-adjusted death rate in North Carolina for 1996-98 was 11.8. Among youth, it was 6.8 in 1998.

**Goal 4: Safety and stability will be at the heart of every family.**

No matter how young or how old, if we're to thrive -- physically, mentally, emotionally -- we need to feel safe and nurtured in our own homes. Infants who are not held, stroked, and talked to fail to develop normally. Growing children and teens need a secure home base from which to explore the world. Adults, too, need the support and balance that friends and family provide. For the purpose of this report, however, we limit our measures to two of the most detrimental aspects of family life in America – spousal and child abuse.

**Facts:**

- Nationwide, domestic violence results in medical costs totaling \$44 billion annually. (p30,f137)
- Evidence suggests that the North Carolina rate of domestic violence is 12.1 incidents per 1,000 adult female -- a 63% increase over data gathered in 1993.
- Nearly 70% of women murdered in North Carolina are killed by a current or former intimate partner; 2/3 of these murders were preceded by a documented episode of domestic violence.
- In 1997, there were nearly 35,000 *substantiated* reports of child abuse and neglect in NC.
- Children in families with alcohol problems are three times as likely to suffer abuse or neglect.
- Children in low-income families are 22 times more likely to suffer abuse or neglect.

**Targets:**

1) **Spouse/Partner Abuse.** Reduce the rate of spouse/partner abuse by 5 incidents per 1,000 adult females, less than half the current rate.

2) **Child Abuse/Neglect.** Ensure that no child dies as a result of abuse or neglect (contrasted with 23 in 1998) while reducing the rate of substantiated cases of abuse and

neglect by more than half (to 9 cases per 1,000 children). Reports of abuse and neglect increased 250% between 1989 and 1998.

Imperative 2: Safe and Vibrant Communities



## Safe and Vibrant Communities

### Vision for 20/20

**Communities of every size and in every region of the state offer their citizens a desirable quality of life. Citizens live in safety and in harmony. Communities achieve economic and environmental sustainability as home, civic, and cultural life prospers. And everywhere, communities celebrate vitality evident in the proportion of young people who choose to remain at home, or to return home, for their adult years.**



**Goal 1: All members of the community will be valued, and their civic participation will be welcomed.**

For all the ties that bind North Carolinians together, there remain wedges that drive us apart. Lingering racism is suspect in the gaps in income, health, and school achievement. Newcomers to our communities are too often greeted with misunderstanding and hostility. Our elders and our youngsters seldom receive the respect they are due. The poor become “them,” rather than part of “us.” Stereotypes and cronyism lock women out of business opportunities. Yet our communities will never achieve their potential, will never be truly vibrant places to live and grow, until we embrace all members of the community equally and profit from their contributions to civic life.

#### **Facts:**

- Charlotte scored next to last out of 40 metropolitan communities across the nation on a measure of interracial trust.
- African-Americans are about 10 percentage points less likely to register to vote than are whites. (p37, f161)
- Only 1/4 of Hispanic citizens in North Carolina are registered to vote.
- Black males are sent to prison 27 times as often as whites for drug-related crimes, but surveys show drug use varies little between the two races.
- Minorities are represented in the state's prisons at more than twice their proportion of the overall population. (p38, f163)
- Racial minorities accounted for only 18.3% of persons in higher-earning jobs.
- African-Americans accounted for only 13% of persons in higher-earning jobs.

#### **Targets:**

- 1.) **Voter Registration.** Voter registration and turnout will be equally high across all racial/ethnic groups. Available data indicate that voter registration by minorities lags behind that of whites.
- 2.) **Law Enforcement Treatment.** Substantially improve the perception of equal treatment by law enforcement (to 40%) and of protection of rights by the courts (to 70%) among all racial groups. To do this requires doubling the percentage of African-Americans

who perceive law enforcement as even-handed and a 40% improvement in the percentage of African-Americans who view the courts as concerned about defendants' rights.

3.) **High Wage Jobs.** Representation of minorities and women in the top wage-earning categories and among business owners will be equal to their proportion of the workforce. This reflects raising minority representation in these areas by about 70% and women's representation by roughly one-third.

## **Goal 2: Residents will feel safe in their homes and neighborhoods.**

No community will thrive unless its people feel safe. North Carolina has been making progress in many types of crime in recent years, but safety is not merely safety from crime. People also need to feel safe from disasters and secure that, in an emergency, they will receive prompt and competent assistance. Natural disaster planning, in particular, takes on added importance given long-term hurricane forecasts and the growing population in vulnerable areas.

### **Facts:**

- Of North Carolina's 50,000 fire fighters, 45,000 are volunteers.
- Among people 65 and older, women, and lower-income citizens, a majority indicated they did not feel safe going out at night.
- 1/2 of North Carolinians surveyed expected violent crimes to increase during the next three years.
- In 1999, North Carolina exceeded the national rate in property crimes by 25%.
- NC's rate of motor vehicle theft has exceeded the national rate for 20 years.
- Juvenile arrests for violent crimes were 50% higher in 1999 than in 1989.
- Juvenile arrests for property crimes were 20% higher in 1999 than in 1989.
- A capabilities assessment of North Carolina's readiness for handling disasters scored the state about a 4 on a scale of 1 to 5.

### **Targets:**

1.) **Safe at Home.** Improve the percentage of residents who feel safe in their homes and neighborhoods by 10%. Surveys show that a majority of North Carolinians feel safe in various settings, but the size of the majority ranges from 59% to 90%.

2.) **Crime Rate.** The violent crime index rate will decline to 520 per 100,000 population. The property crime rate will decline to no more than 4,370 per 100,000 population. North Carolina exceeds the national average in both types of crime, with a violent crime index rate of 549.7 per 100,000 population and a property crime index rate of 4,683.5. The state's property crime rate has increased while the national rate decreased over the last decade.

3.) **Emergency Preparedness.** The N.C. Emergency Management Program will become the first state emergency management program to receive national accreditation.

### **Goal 3: North Carolinians will have adequate and affordable housing options.**

Most people understand intuitively the difference good housing makes, not only for individuals and their families, but to the community as a whole. North Carolina, however, faces a significant challenge in meeting the demand for adequate and affordable housing. A lack of affordable housing in central cities drives the urban sprawl that increases traffic congestion, worsens pollution, and consumes farms, forest, and other open spaces. In Eastern North Carolina, Hurricane Floyd's lingering effects have exacerbated existing problems with substandard and overcrowded housing.

#### **Facts:**

- More than 1/3 of NC renters cannot afford the fair-market rent for a two-bedroom home (in some communities: 50%).
- 30% of NC renters cannot afford the fair-market rent for a one-bedroom home.
- In the Charlotte area, 30,000 citizens pay more than half of their income on housing.
- At least 44,000 North Carolinians are homeless (1/4 of them are children, most younger than 5).
- 20% of North Carolina households (some 250,000) are at the risk of becoming homeless.
- Only 44% of all adults younger than 35 own homes.
- In 14 northeastern counties, more than 7% of all homes either lacked plumbing, were overcrowded, or both.
- The gap between housing prices and income levels is growing.

#### **Targets:**

1.) **Affordable Housing.** Only 25% of North Carolina renters will pay 30% or more of their income in rent, and no more than 13% of homeowners will pay more than 30% of income on housing costs. These figures represent an improvement of 25%.

2.) **Housing Prices.** Average families in North Carolina will be able to afford a home of their own. In 1997, the median price of homes sold was \$17,000 more than the average family could afford, and the gap has more than tripled since that time.

3.) **Complete Plumbing/Overcrowded Housing.** The percentage of households lacking complete plumbing has declined slowly, but steadily over the last 10 years. By 2020, the last 1.5 percent of households will have complete plumbing. Eliminate two-thirds of overcrowded housing in the state, reducing it to 1% of all housing units. As of 2000 1.85% of households were overcrowded.

### **Goal 4: In every community, residents will have access to essential programs and services.**

Just as it takes a village to raise a child, it takes that same village to nurture an adolescent, support the parents (and aunts and uncles), encourage the grandparents, and -- increasingly -- lend a helping hand to the great-grandparents. Support services can make the difference between a family that thrives and contributes to the community, on the one hand, and a family torn apart by physical and emotional overload on the other. There are numerous

services, both formal and informal, that communities need to create healthy environments for their residents. We focus here on a few that answer the essential needs of families and individuals: the care of the young and the elderly.

**Facts:**

- 16,388 children remain on waiting lists for child-care subsidies.
- Teacher turnover in child-care facilities remains high at 31% annually.
- 57% of children in 2000 were cared for in facilities rated 3 stars or higher (out of 5).
- The number of North Carolinians age 65 and older is expected to reach 2 million by 2020.
- By 2010, the number of people 18 or older requiring assistance with daily living will increase by 20%, to 420,000.

**Targets:**

1.) **Day Care.** 85% of children in day care will be in facilities rated with three stars or higher. The state is in the process of converting to the star system for licensing. About four out of five facilities had obtained star licenses by the end of 2000. If those prove representative of all facilities, the target represents a 50% improvement (from 57% to 85%).

2.) **Long-Term Care.** Every North Carolinian will have ready access to a core set of long-term care services. The current status is unclear.

3.) **Caregiver Resource Centers.** North Carolina will have at least 10 comprehensive caregiver resource centers to provide support for family members caring for impaired older adults. Currently, no such centers exist.

Imperative 3: Quality Education for All



**Vision**  
20/20

# Quality Education For All

## Vision for 20/20

**A quality education is essential to success in an increasingly competitive, ever changing workplace. In order for citizens to be contributors to the state's economy, culture, and social and religious communities, as well as the overall well-being of the state, a sound education is necessary to provide the tools needed to make wise and informed decisions. So that North Carolina's children and adults will also actively participate in our democratic government, it is crucial they are offered a quality education from early childhood past retirement.**

**North Carolina's education system will strengthen public schools so every child has an equal opportunity to succeed and every graduate is ready for work or additional education. All citizens will have access to continuing education opportunities through a seamless education partnership between the secondary and post-secondary educational systems in the state.**



**Goal 1: North Carolinians have a basic 14-year education, and graduates will have the knowledge and skills needed to be competitive in the global economy and fully participate in our democratic system.**

Both jobs and daily life are becoming more complex and demanding higher levels of skill than they did a generation ago. The national 21<sup>st</sup> Century Workforce Commission outlines the elements of 21<sup>st</sup> century literacy as "the ability to read, write, and compute with competence, think analytically, adapt to change, work in teams, and use technology."

### **Facts:**

- 85% of all jobs by 2010 will require 14 or more years of education.
- North Carolina ranks 34th in college going rates among the 50 states.
- Less than 80% of adult North Carolinians have completed high school. (p65, F278)
- Only 3 states have lower high school completion rates than North Carolina.
- Less than a third of NC's fourth and eighth graders scored in the proficient range on standardized tests. (p64, NAEP chart)
- NC students rank in the middle among international competitors in science and math skills. (p 64, NCDPI/TIMSS chart)
- NC places 47<sup>th</sup> in a state comparison of SAT scores. The placement improves to 32<sup>nd</sup> when the scores are adjusted for the number of students being tested. (p. 66, chart)

### **Targets:**

1.) **Student Testing.** By 2010, nine out of 10 students score at or above grade level on End-of-Grade (EOG) and End-of-Course (EOC) examinations. To reach the target, the percentage of students passing end-of-grade tests in grades 3-8 on average must move from 75% to 90% in reading and from 80% to 90% in math. On the end-of-course exams,

current scores at or above grade level range from 47% in history to 73% for physics. Students must improve from 17 to 43 percentage points in end-of-course exams.

2.) **National Assessment of Educational Progress.** NC will rank among the top 10 states in NAEP proficiency by 2010. To reach this, students must move up between two and 12 spaces in various grade levels.

3.) **Global Rank.** NC students rank above the national average on The Third International Mathematics and Science Study (TIMSS) and have scores competitive with the countries in the top tier of the study. In these global comparisons of educational achievement, North Carolina and the nation must move up at least 5 spaces to be among the top tier nations in the world.

4.) **High School Diplomas.** 95% of North Carolina students finish high school, and 60% will have at least two years of education beyond high school by 2010. To do this, an additional 16% of the current adult population over 25 must get a diploma or GED.

5.) **SATs.** The average SAT score (math and verbal) will be equal to the national average by 2010. Whether the comparison is on adjusted or raw scores, North Carolina must increase SAT scores by 14 to 28 points to reach the national average by 2010.

**Goal 2: All public school students will have access to schools that create a supportive learning environment, and every student is provided an equal opportunity to reach his or her potential.**

A supportive learning environment for students includes involvement of parents in activities, resources for schools to help students achieve their potential, quality teaching, and strong administration support. The challenge of creating such an environment is magnified by a rapid growth rate (fourth fastest among public school systems nationwide) and the increasing diversity of the student body. Of particular concern is an unacceptable achievement gap between white and minority students. North Carolina has focused considerable effort on improving public schools over the past two decades, yet *Education Week* graded North Carolina a "D-" for a category including class size, student engagement, parent involvement, choice, and autonomy. Efforts to improve teacher quality earned a "B+."

**Facts:**

- African-American students in North Carolina are 4 times more likely than white students to be designated as mentally retarded.
- African-American students in North Carolina are 2.76 times more likely than white students to be designated as emotionally disturbed.
- The nonwhite population in the schools is projected to outnumber the white population later this century, yet 85% of the teaching force is white.
- In the 1990s, a high school dropout was 4.5 times more likely to be unemployed than a college graduate.
- 12% of teens 16 to 19 are not enrolled in school and are not high school graduates.
- North Carolina needs 10,000 teachers each year for the growing student population and to replace the teachers who leave.
- The turnover rate for teachers has increased to 13.44% annually.

- Only 66% of secondary teachers are teaching in the field in which they are licensed.
- Only 41% of Hispanics have a high school diploma.

**Targets:**

1.) **Dropout Rates.** North Carolina will be among the 20 states with the lowest high school dropout rate. The state currently has one of the nation's highest dropout rates, with 12% of children age 16 to 19 dropping out of school. Between 1997-2000 69,715 students dropped out, about 23,000 each year.

2.) **Qualified Teachers.** North Carolina will be among the top 10 states in the percentage of fully licensed teachers and in the percentage of teachers teaching in their licensed field of expertise. The state currently is slightly above the national average in the percentage of teachers meeting license requirements, but needs to move up 13 spaces to reach the top 10 by 2010. With only 66% of teachers teaching in field, NC is about average among states, but would need to move up 12 spaces to be among the top 10. The top 10 group begins at a total of 72% (and above) teaching in field.

3.) **ABCs.** 90% of schools will be recognized as Schools Making Everyday Growth/Gains or meeting Expected Growth/Gains Standards as designated by the NC ABCs of Public Education. Looking at all categories under the ABCs of Education, 20% of schools do not meet expected improvement standards.

4.) **Attention to Students.** 90% of parents will agree that their child is known and cared about as an individual at school. Only 79% of parents surveyed say their child is known and cared about in school.

**Goal 3: More North Carolinians will complete two- and four-year degrees in preparation for a knowledge-oriented economy and society.**

Education pays. In strictly dollar terms, it pays a typical college graduate \$20,000 a year more than a high school graduate earns. As low-skill jobs vanish, increasing the state's education level becomes more critical. Despite significant investments in its public universities and community colleges, North Carolina lags significantly in the number of adults who hold college degrees. Furthermore, compared with other states, we're dropping further behind, from 37<sup>th</sup> to 39<sup>th</sup>. Increasing tuition rates could make it even more difficult for typical North Carolinians — especially first-generation college-goers — to afford post-secondary education.

**Facts:**

- Between 1977 and 1997, the average income of men and women with only a high school diploma decreased by 4% in real dollars.
- Between 1977 and 1997, the income advantage associated with a college degree increased by 28% in real dollars.
- North Carolina has dropped from 37<sup>th</sup> to 39<sup>th</sup> in the US for the number of adults over 25 with a college degree.
- Only 14.7% of blacks over age 18 have a bachelor's degree.

- Only 11.3% of Hispanics over age 18 have a bachelor's degree.
- High-school graduates from lower-income families lag 32 percentage points behind higher-income families in the rate of college attendance.
- North Carolina provided \$158 million in student financial aid programs during 1999-2000, but only 1/3 of these funds went to students with a demonstrated financial need.

1.) **Bachelor Degrees.** North Carolina will move up 3 percentage points to reach the national average in bachelor's degree attainment by 2010, and the minority achievement gap, now 10 to 14 percentage points behind whites, will be narrowed.

2.) **Community Colleges.** 60% of the fall students of community colleges will complete their program or still be enrolled the following fall at the community college. The system has just started collecting the data, and it will not be reported until the fall of 2001.

3.) **Financial Aid.** By 2010 grants will make up 50% of student financial aid with loans and work-study programs accounting for the rest. Of the total financial aid available for students seeking higher degrees, loans and work-study are now a greater proportion (56%) than grants. This discourages entry into higher education and delays completion of degrees.

**Recommendation:** A Blue Ribbon Study Commission should investigate education needs for the 21<sup>st</sup> century and develop a *seamless* education system.

**Imperative 4: A High Performance Workforce**



## High Performance Workforce

### Vision for 20/20

**North Carolina workers will adapt quickly to changing demands of the global workplace through their abilities to use information, think analytically, work in teams, and use technology. North Carolina workers will be prepared for these changes as a result of a partnership between the public and private sector that recognizes the importance of family-sustaining wages and benefits for all jobs. This combination will result in establishing a standard for a prosperous economy. Employers will recognize employees as an important asset and provide compensation and work environments that value workers.**



**Goal 1: North Carolinians will have the knowledge, competencies, and skills needed to adapt to the ever-changing global economy.**

The globalization of the economy hits home especially hard in the way it affects jobs. North Carolina competes for jobs not just with Ohio and Georgia, but with South Korea, Germany, and Mexico. Sadly, many North Carolina workers today lack the knowledge and skills they need for the changing workplace.

#### **Facts:**

- By 2006, nearly 1/2 of all US workers will be employed in industries that produce or intensively use information technology products and services.
- 60% of new jobs in the early 21st century will require skills possessed by only 20% of today's workforce.
- North Carolina has an average of 170,295 jobs that need to be filled each year.
- The top 3 fastest growing occupations in North Carolina are computer engineers, system analysts, and health care aides.
- The workforce between the ages of 25 and 34 is expected to decrease in the next few years.
- 60% of layoffs from 1998-1999 were in rural areas even though rural areas possess only 41% of total jobs.
- 31 rural counties were at least 50% above the state average in unemployment rates.
- In 1997, 52% of adults scored at the lowest two levels of literary proficiency.
- Only 43% of NC employers were satisfied with how colleges and universities prepared students for work, according to the Institute for Research in Higher Education.

#### **Targets:**

1.) **Adult Literacy.** North Carolina will move up 22 places to become one of the nation's top 20 states in adult literacy.

2.) **Employer Satisfaction with Graduates.** By 2010, nine out of 10 graduates of NC's education system will be rated satisfactory or better. While 9 out of 10 university graduates now are rated satisfactory or better by their employers, only 71 percent of high school vocational graduates achieve that rating. Comparable data on community college students are not yet available.

3.) **Technical education.** By 2020 North Carolina will increase by 30% the number of students with certificates or diplomas in computer science, engineering, and related technical training programs. North Carolina must increase its ranking by eight places to rank in the top 20 states in the number of graduates with a master's or a doctorate in science and engineering.

**Goal 2: Employees will have access to continuous learning opportunities to remain competitive in the global economy.**

Workers today must be continuously learning new skills. Technology brings rapid changes to the workplace, and economic restructuring means people today face more frequent job changes than their parents did. North Carolina's community college system has earned high marks for its workforce training programs. *Expansion Management* magazine ranks ranked those programs best in the nation two years in a row. Moving forward, classes offered over the Internet and other distance education initiatives are expected to play an increasingly important role in workforce training and retraining.

**Facts:**

- Low-skill manufacturing jobs are declining. NC lost more than 110,000 jobs in textile and apparel manufacturing alone in the 1990s. (p83, f314)
- Overall manufacturing losses continue. Between February 2000 and February 2001, the state lost 3% of its manufacturing jobs. (p83, f314)
- 12,740 students took Basic Skills courses at community colleges in 1998-99. Just under 10% went on to enroll in occupational extension courses or curriculum programs.
- Nationally, 28% of noncredit, community college students had already attained a bachelor's degree or higher.

**Targets:**

1.) **Continuous Learning.** By the year 2010 North Carolina will have 4% of the working age population, or 75,000 additional people, enrolled in vocational/ technical community college programs, an increase of 2 percentage points.

2.) **Basic Skills Training.** By 2010 the number of Basic Skill students who enroll in community college occupational extension and curriculum programs will increase by 30%.

**Future Measure:** As part of planning, the Community College System is collecting information on the percent of high demand occupations encompassed by training programs and that information will be available in 2001 and will be used as a future measure.

**Goal 3: Workplaces in North Carolina will be safe places for employees to work, provide competitive salaries, offer growth opportunities, and respect workers.**

Just as workers must adapt to new realities, so must employers. Increasing social mobility gives good workers opportunities to seek new jobs with better compensation and benefits. The benefits they seek often include the flexibility to deal with the demands of young children and elderly parents. At a minimum, both workers and society demand that every workplace provides a safe, healthy environment.

**Facts:**

- The share of workers to receive defined-benefit pension plans has fallen from 30% to 20% over the past 15 years.
- The average North Carolinian earns \$2,000 less than the average US citizen.
- The average earnings per week in Wake County are nearly twice as high as those earned in some rural counties.
- North Carolina is rated 4th in the nation for highest fatal occupational injuries.
- In North Carolina, violence is the 2nd highest reason for fatalities in the workplace.

**Targets:**

1.) **Per Capita Income.** North Carolina will rank among the top 20 states in per capita income and in workers earning a living wage. The average North Carolinian currently makes \$26,603 a year -- \$2,000 less than the average US citizen. North Carolina must move up 11 places to be among the top 20 states in per capita income by 2010.

2.) **Workplace Safety.** The rate of workplace injuries and illnesses will decrease to 4 per 100 full-time workers by 2010. This means reducing workplace injuries by 1.6 injuries per 100 workers.

**Recommendation:** A program will be designed to prepare workers for the changing global economy through a partnership that links government, education, and employers.

**Imperative 5: A Sustainable Environment**



**Vision  
20/20**



## A Sustainable Environment

### Vision for 20/20

**As stewards of the environment, North Carolinians preserve and protect the state's vast resources. The quality of the air, water, and land will be maintained and enhanced. The collection and dissemination of environmental data will reflect advanced technology and communication.**



#### **Goal 1: In 2020, North Carolina's air and water will be of the highest quality.**

In some respects, North Carolina has made significant progress in protecting its air and water over the past 20 years. Four of the six primary air pollutants -- including lead and sulfur dioxide -- have declined since the 1970s. In addition, municipal and industrial sewage treatment plants are dumping less noxious waste into rivers. All is far from well, however. Ground-level ozone, which triggers asthma and other respiratory illnesses, has been on the increase since 1995, placing North Carolina among the least healthy states in terms of air quality. Non-point source pollution -- such as runoff from roads and agricultural lands -- presents a critical challenge in maintaining the quality of streams, rivers, and estuaries over the next 20 years. Meanwhile, both pollution and dwindling aquifers pose problems for ground water supplies.

#### **Facts:**

- In 1998, high ozone triggered "unhealthy" air advisories on 70 days.
- In 1999, North Carolina had the country's 5th highest number of unhealthy air days.
- Of the most ozone-polluted metropolitan areas in the nation, Charlotte ranked 8<sup>th</sup> and Raleigh-Durham ranked 11th.
- 27% of NC 7th and 8th graders reported either diagnosed asthma or undiagnosed wheezing.
- As of March 2001, 9,035 leaking underground storage tanks needed repair to prevent or halt contamination of groundwater by petroleum or other chemicals.
- 23% of the 32,392 active underground storage tanks are not in compliance with regulations designed to detect or prevent future leaks.
- Over the past 10 years, there have been 2,199 chemical, biological, and petroleum leaks and spills that contaminated ground water at unregulated sites.

#### **Targets:**

1.) **Air Quality.** Air quality throughout the ozone season will be assessed as "good." Half of this improvement will take place by 2010. In 2000 there were 35 "unhealthy" ozone alert days.

2.) **Surface Water Quality.** A significant improvement in the percentage of water bodies supporting their designated uses will be achieved. Specifically:

- 20% improvement in stream miles (500 miles cleaned up);
- 43% improvement in lake acres (13,600 acres cleaned up); and
- 20% improvement in estuary acres (14,000 acres cleaned up).

3.) **Drinking Water.** All North Carolina residents will have access to drinking water meeting water quality standards. Today 71% of the population has access to drinking water meeting federal water quality standards. In conjunction with this measure, all 100 counties will have and enforce well construction standards by 2010. Today only 30 counties have such standards.

4.) **Contaminants.** All contaminant incidents threatening damage to ground water will be properly managed. The scope of the current problem is unclear, but more than 9,000 leaks from underground storage tanks have yet to be remediated, and 7,000 tanks still in use lack the required systems for detecting and preventing future leaks. Landfills and hazardous waste sites also present threats.

5.) **Ground Water Quantity.** Withdrawal from major aquifers will not exceed the recharge rate of each aquifer. Currently, two major aquifers in the coastal plain, the Black Creek and the Upper Cape Fear, have significantly declined and are being used beyond their capacity to be replenished.

## **Goal 2: North Carolina will ensure healthy and productive natural resources.**

The renewable natural resources that have provided sustenance and income to generations of North Carolinians are in danger. Significant steps will be necessary to allow these resource to regenerate and then to keep them diverse and productive.

### **Facts:**

- About 55,000 acres of shellfish beds are closed to harvesting each year.
- More than 90% of shellfish acreage closures are attributed to storm water runoff.
- Of the marine fish stocks studied, more than three-quarters are in danger of depletion. (p124)
- Every year North Carolina loses about 150,000 acres of forest and agricultural land to development.
- Timber harvests clear 500,000 acres of forest land per year.
- Since colonial times wetlands have decreased by 49% in the coastal plain, 28% in the Piedmont, and 89% in the mountains.

### **Targets:**

1.) **Shellfish.** 100% of the current acreage for saltwater shellfish will remain open for harvesting through 2020. Approximately 4% of the state's shellfish acreage (56,191) already has been closed because of pollution.

2.) **Marine Fish Stock.** 100% of evaluated fish stocks will improve and be classified as either Viable, Recovering, or under an approved rebuilding plan. Only 23% of stocks evaluated in 2000 were considered viable.

3.) **Forest land.** 100% of the current forest acres will be maintained through 2010, and forest diversity will be maintained as to age, class and type. Between 1982 and 1997, North Carolina lost an estimated 77,200 acres of forest every year.

4.) **Wetlands.** 100% of the current wetlands and riparian functions will be preserved through 2010. North Carolina currently has 5 million fully functioning acres of wetlands and 2.5 million acres of degraded wetlands.

### **Goal 3: North Carolina will preserve and enhance the quality of rural and urban life.**

While the state's growing population aids economic vitality, it also challenges policy makers to control urban sprawl. Today that sprawl is gobbling farm and forest land, generating unhealthy air, and increasing gasoline consumption. Some of the development is occurring in sensitive natural areas.

#### **Facts:**

- The state's population is projected to grow from 8 million in 2000 to 9.6 million in 2020.
- The population of state's five largest counties (Mecklenburg, Wake, Guilford, Forsyth, and Cumberland) grew an average of 26% during the 1990s. (p129, f413)
- The coastal counties of Brunswick, Pender, Currituck, Dare, and New Hanover all grew by more than 20%. (p129, f413)
- Some 2.8 million acres of land was under protection from development in 2001. Most of it was owned by the federal government.
- 21 counties lack countywide plans for managing and directing growth.

#### **Targets:**

1.) **Land Use Plans.** All local governments will have and use plans incorporating growth management strategies, development monitoring measures, and natural resource conservation policies. Growth is directed to areas with existing infrastructure, including transportation, and water and wastewater systems. Currently 79 counties have land use plans.

2.) **Protected Land.** North Carolina will protect from development an additional 1 million acres of land, reserving it for such uses as parks, forests, floodplains, and wildlife areas. This represents a 35% increase over the acreage under protection in 2000. Present funding levels allow for the protection of only 43,000 to 63,000 acres per year.

3.) **Brownfields.** By 2010, some 2,000 current brownfield properties will be fully utilized. Brownfields are abandoned, idled, or underused industrial properties where expansion or redevelopment is complicated by real or perceived contamination.

Imperative 6: A Prosperous Economy



**Vision**  
20/20



# A Prosperous Economy

## Vision for 20/20

**North Carolina's growing, dynamic economy is competitive in the global marketplace. It is diversified. High-quality jobs are plentiful across all economic, geographic and demographic sectors, without undue reliance on too few industries. "Knowledge workers" dominate the workforce and citizens take advantage of modern communications and technology to create new economic opportunities.**

**Sound, strategic investments in people and infrastructure have accelerated our transition from traditional to knowledge-based economies. Through our willingness to think boldly -- and our faith in ourselves -- we have built a "New Economy" laboratory on the foundation of our traditional economic strengths. Through research and reinvention, we have made our agrarian and manufacturing past a vital part of today's prosperous economy.**



### **Goal 1: Promote dynamic, diverse, and sustainable economic growth across all regions and demographic groups.**

The economic transition of the past two decades has left many in our state battered and bewildered. To ensure that no North Carolinian is left behind, the state should work to create not only a strong economy but one that is diverse enough to weather the ups and downs of global markets and can be sustained over the long term.

#### **Facts:**

- Measured in dollar terms, manufacturing represents the largest sector of the state's economy (27%). The services sector, on the other hand, accounts for the largest proportion of jobs (26.2%).
- In 2000, non-farm employment totaled nearly 4 million.
- In 2000, NC ranked 21st in the US in per capita Gross State Product.
- From 1990 to 2000, NC ranked only 26th in the nation in long-term employment growth.
- In terms of short-term economic growth (measured by employment, personal income, and population), NC fell from a national ranking of 6th in 1997 to 15th in 1998 and to 22nd in 2000.
- In terms of lowest unemployment rate, NC fell from a national ranking of 12th in 1996 to 13th in 1998 and to 15th in 2000.
- 26 counties in North Carolina had a poverty rate of at least 18% continuously from 1980 to 1999.
- In 1998-1999, rural areas (with only 41% of all jobs) incurred nearly 60% of the layoffs and 2/3 of manufacturing job losses.

- From 1980-1998, North Carolina's average income increased by 39.5% for the wealthiest 1/5 of households, but by only 0.1% for the poorest 1/5 of households.

**Targets:**

1.) **Long-term growth.** NC will rank in the top 10 states for long-term growth for Gross State Product (GSP). From 1977 to 1997, NC ranked 12<sup>th</sup> in its GSP growth rate, but NC is ranked only 22<sup>nd</sup> in the US in per capita GSP in 2000.

2.) **Short-term growth.** NC will rank in the top 10 states in ratio of net business starts. The state ranked 7<sup>th</sup> in 1998, but fell to 11<sup>th</sup> in 1999.

3.) **Employment.** NC will rank in the top 10 states for long-term growth rate for jobs. From 1990 to 2000, NC ranked only 26<sup>th</sup> in long-term employment growth.

4.) **Personal Income.** NC will rank in the top 20 states for per capita income (or 100% of the average US per capita income). From 1990 to 1999, NC's per capita personal income grew from 87% of the US level to 91%, and its per capita income national rank rose from 35<sup>th</sup> to 32<sup>nd</sup>.

5.) **Economic disparity.** Non-metro per capita income will be at least 80% of metro per capita income. The per capita income gap between rural and urban NC was 75% in 1996.

**Goal 2: Expand the emerging economy sectors, including technology and other knowledge-based businesses.**

If North Carolina is to profit from "New Economy" opportunities, both public and private investments will be required. The state will need to stimulate *private* investment in technology and innovation while it makes necessary *public* investments in education, training, and infrastructure ranging from telecommunications to transportation.

**Facts:**

- NC's largest New Economy cluster is information technology and instruments.
- NC's greatest relative job growth is in communications services, software, and the chemical and plastics cluster.
- North Carolina is one of the nation's leading biotechnology states. The industry is expected to bring in \$24 billion in annual sales and to employ 125,000 North Carolinians by 2020.
- North Carolina ranks 30th in overall New Economy measures, 39th in workforce education, and 29th in initial public offerings.
- Since 1994, NC has produced 31,100 high-tech jobs, but its national ranking has remained at 14th.
- In 1997, NC was ranked 25th in the US in the number of patents issued per 1,000 workers.
- In 1997, NC was ranked 22nd in the US in the number of managers, professionals, and technicians as a percent of its total workforce.

**Targets:**

1.) **Economic Transformation.** NC will rank in the top 10 states for economic transformation, judged by the Progressive Policy Institute's State New Economy Index. In 1999, NC was ranked 30<sup>th</sup> in the overall new economy measure of the index.

2.) **Economic Dynamism.** NC will rank in the top 10 states in the value of initial public offerings as a percent of Gross State Product. In 1998, NC was ranked 29<sup>th</sup> in the US by this measure.

3.) **Innovation Capacity.** NC will rank in the top 10 states in research and development spending as a percent of GSP. In 1999, NC was ranked 27<sup>th</sup>.

4.) **New Economy Jobs.** NC will rank in the top 10 states in the number of high-tech workers per 1,000 jobs. In 1999, NC was ranked 23<sup>rd</sup> by this measure and 22<sup>nd</sup> in the percent of civilian scientists and engineers.

**Goal 3: Revitalize the traditional economic sectors and ensure their competitiveness in national and global markets.**

The transformation of North Carolina's traditional economy — including the manufacturing and agricultural industries — is well under way. In economic terms, this transformation involves a shift from traditional to knowledge-based manufacturing and a greater focus on international trade. In human terms, it often means layoffs and economic hardships, a burden felt disproportionately by rural communities. Strengthening these industries for the long term will require investments in innovation, modernization, and new ventures.

**Facts:**

- Apparel, textiles, and wood products account for 415,000 jobs in the state. (p. 149, f475)
- Three out of 10 rural jobs are in manufacturing. (149, f476)
- The agribusiness industry contributes \$46 billion to the state's economy annually. (p149, f478)
- North Carolina ranks fourth among states in net farm income. (p151, f492)
- North Carolina lost 49,000 manufacturing jobs from July 2000 to July 2001.
- In July 2001, the unemployment rate reached 5.3% (the highest since April 1993). In 1997, NC was ranked 43rd in the US in manufacturing capital investment.
- North Carolina ranked 20th in traded sector strength, 27th in traded sector strength change, and 10th in traded sector competitiveness (these ratings have declined since 1995).

**Targets:**

1.) **Industrial Transition.** NC will reach 110% of the US ratio of average wages for major growth sectors compared with average wages for declining sectors. In 1997, NC's industrial transition ratio was 106.7% of US ratio (97.3 for NC v. 90.4 for US).

2.) **Traded Sector Strength.** NC will rank in the top 10 states for traded sector strength. In 2000, NC was ranked 20<sup>th</sup> in traded sector strength and 10<sup>th</sup> in traded sector competitiveness.

3.) **Manufacturing Vitality.** NC will rank in the top 10 states in the percent of manufacturing jobs of total non-farm jobs. Despite declines in manufacturing jobs, including sharp drops in textile and apparel jobs, NC ranked 4<sup>th</sup> in 1998 in manufacturing employment as a percent of total employment.

4.) **Agriculture Vitality.** NC will rank in the top 10 states in net farm income. In 1997, despite restructuring and other challenges, NC ranked 4<sup>th</sup> in the US in net farm income and 8<sup>th</sup> in total agriculture cash receipts.

#### **Goal 4: Promote the expansion of international markets and facilitate access to foreign capital and commerce.**

Competitiveness in the global economy requires a new way of thinking. Instead of deciding which products to export, we will determine what we produce based on what the global market needs. Ultimately, this new perspective, coupled with disappearing trade barriers, will result in more exports and more high-quality jobs throughout the state and will make the state a force to be reckoned with in the global market place.

#### **Facts:**

- By 1997, foreign investment generated 225,000 jobs -- 3rd highest in the nation. In 1998, 738 foreign-owned companies from 35 countries had operations in NC.
- NC ranks 25th in the nation in the ratio of exports to Gross State Product.
- NC ranks 37th in the nation in export-oriented jobs.
- From 1997 to 1998, NC's national ranking in foreign direct investment fell from 3rd to 14th.

#### **Targets:**

1.) **Global trade.** NC will rank in the top 10 states in merchandise exports as a percent of GSP. In 1997, NC's export intensity ratio was below the US average, ranking it only 25<sup>th</sup> in the nation.

2.) **Export-Oriented Jobs.** NC will rank in the top 10 states in the share of manufacturing jobs dependent on exports. Based on 1992 data, NC ranked 37<sup>th</sup> in the US in its percent of jobs in export-oriented companies.

3.) **Foreign Capital.** North Carolina will rank in the top 10 states in foreign direct investment. In 1997, NC ranked 3<sup>rd</sup> in the nation in foreign direct investment, but our national rank in workers employed by foreign companies, a FDI indicator, shows signs of slipping.

Imperative 7: A 21st Century Infrastructure



**Vision**  
20/20



## 21st Century Infrastructure

### Vision for 20/20

North Carolina -- long recognized as the *good roads state* -- wins renewed acclaim for a globally competitive public infrastructure and is considered *the best practice state* for public infrastructure -- both *hard* and *soft* public infrastructure.

Its *hard* infrastructure effectively integrates efficient transportation modalities, reliable and affordable energy generation and distribution networks, and safe and extensive water, sewer, storm water, and solid waste management systems. Coupled with low-cost, high-bandwidth information and telecommunication networks, the hard infrastructure provides the platform for the state's prosperous economy and renowned quality of life.

The *soft* infrastructure encompasses the state and local government fiscal, regulatory, and financing framework. It enables public officials and business leaders, together with heads of non-profit agencies, to respond creatively and quickly to new challenges. This soft infrastructure energizes the state to compete in a dynamic, knowledge-based, and communications-driven global environment.



### Goal 1: Develop and maintain a balanced, nationally recognized transportation system.

The state's transportation system must be about efficient commerce — not just good roads — to be truly competitive. In the years ahead, North Carolina's leaders will be forced to make some tough choices as they allocate scarce resources for transportation. To reconcile competing transportation demands and make each dollar count, we will have to reassess our traditional commitment to highway access and explore more efficient ways to move people, goods, and services.

#### Facts:

- NC has the 9th highest vehicle miles traveled per capita in the nation. North Carolinians on average drive 21% more than their national counterparts.
- In 2000, NC ranked 2nd in the nation in the total number of highway miles under state control.
- During the 1990s the state added over 4,600 lane miles to the state highway system (a 2.5% increase).
- North Carolina ranked 23rd in the nation in highway quality in 1999, according to the Corporation for Enterprise Development.
- North Carolina has the nation's 14th highest highway fatality rate.
- In 1998, NC ranked 37th in the US in urban mass transit system availability.
- NC needs an estimated \$1 billion per year in new highway construction and an additional \$300 million per year to meet highway maintenance standards.

**Targets:**

1.) **Transportation efficiency.** The average North Carolinian will drive less than does the average American. The number of vehicle miles traveled (VMT) per capita has risen every year since 1980 and NC currently has the 9<sup>th</sup> highest VMT per capita in the US.

2.) **Highway quality.** NC will rank in the top 10 states for the percent of state-controlled roads rated in fair or better condition. In 1999, NC ranked 23<sup>rd</sup> in US in highway quality, a significant improvement from its 1995 ranking of 47<sup>th</sup>.

3.) **Mass transit service.** NC will rank in the top 20 states for the total carrying capacity for urban public mass transit systems. In 1998, NC was ranked 37<sup>th</sup> in US in urban mass transit system availability.

4.) **Air service.** NC will rank in the top 10 states in per capita spending on state and local air transport. The state fell from 34<sup>th</sup> in the 1999 rankings to 36<sup>th</sup> in the 2001.

5.) **Inter-modal service.** NC will develop at least 4 inter-modal transportation facilities (linking aviation, rail, and highway systems) near the largest metropolitan centers or ports.

**Goal 2: Ensure affordable energy, including electricity and natural gas.**

Plentiful, reliable, and affordable energy will be required for a competitive economy. This in turn will require that the state maintain adequate oversight of energy supply and distribution, even in a deregulated environment. In the interests of energy independence and a clean environment, further emphasis should be placed on conservation and on alternative energy sources, including wind and solar power.

**Facts:**

- From 1990 to 1997, NC's per capita energy consumption grew by 11%.
- In 1997, NC was 22nd in the US in the portion of energy it consumed from renewable energy sources.
- From 1991 to 2000, NC's national rank fell from 23rd to 33rd in terms of the lowest residential electricity costs.
- As of May 2000, 26 of NC's rural counties had no natural gas service.
- Extending natural gas service to 22 of those rural counties would cost \$2.7 billion.
- In 1998, NC was 33rd in the US for affordability of natural gas.
- From 1992 to 1999, NC's natural gas prices rose from 108% to 126% of the national average.

**Targets:**

1.) **Energy efficiency.** NC will rank in the top 10 states in for energy efficiency, that is, with the lowest per capita energy consumption. In 1997, NC had the 18<sup>th</sup> lowest rate of per capita energy consumption in the nation, but its per capita usage is rising.

2.) **Energy renewability.** NC will rank in the top 10 states in the share of energy from renewable sources, such as solar or wind. In 1997, NC was 22<sup>nd</sup> in the country, up from 24<sup>th</sup> the prior year.

3.) **Power affordability.** NC will rank in the top 10 states in affordable electricity, as measured by the average cost of residential electricity service. The state has dropped from 23rd in affordability in 1991 to 33rd in 1999.

4.) **Natural gas service.** 100% of NC counties will be served by, or have adequate access to, natural gas. In 2000, 74% of NC's counties had natural gas service; this represents an increase in service over 1990.

5.) **Natural gas affordability.** NC will rank in the top 10 states in natural gas affordability, as measured by average industrial natural gas cost. In 1998, NC was 33<sup>rd</sup>, and its natural gas costs are rising at a faster rate than the national average.

### **Goal 3: Provide safe and cost-effective water, wastewater, stormwater, and waste management systems.**

North Carolina's unmet water and sewer demands are troubling, if not overwhelming. It is estimated that the state faces \$11.3 billion in water and sewer capital improvement needs. This does not include stormwater system requirements. The state's ability to manage its solid waste likewise is being tested. Per capita tonnage sent to landfills continues to rise. At the current rate, within 20 years, North Carolina will need twice its existing landfill capacity.

#### **Facts:**

- Of the \$11.3 billion in water and sewer capital improvement needs, 61% is required for the state's 15 urban counties and 39 percent for the 85 rural counties.
- NC is ranked 26th in the US in the percent of water systems with health-based violations.
- Of the NC water systems inventoried, 67% reported the need to replace or repair distribution lines.
- In 1998, NC was 31st in the nation in the capacity of its sewage treatment facilities to meet future needs.
- In 1989, North Carolina set a goal of reducing to 0.64 tons per capita the amount of solid waste going to landfills. Today, we send twice that amount to the landfill.

#### **Targets:**

1.) **Water safety.** 100% of residents will be served by public drinking water systems meeting established health standards. 7% of NC's water systems have reported monitoring violations, ranking the state 26<sup>th</sup> in the US in this water safety indicator.

2.) **Water capacity.** 80% of water systems will have adequate capacity for economic growth. About 45% of NC residents rely on groundwater sources for drinking water, often a source with limited excess capacity.

3.) **Sewer safety.** 100% of residents will be served by sewage disposal systems meeting established health standards. Of systems surveyed by the NC Rural Economic Development Center, 62% need to replace sewer lines and over 50% have inflow and infiltration problems.

4.) **Sewer capacity.** NC will rank in the top 20 states in the capacity of sewer systems to meet future needs. In 1998, NC was 31<sup>st</sup> in US in ability of its sewage treatment facilities to meet future needs.

5.) **Stormwater Management.** NC will establish a strategic measure for stormwater management. The state lacks such a measure now. Effective stormwater systems are critical to water quality and other environmental issues.

6.) **Solid waste.** North Carolinians on average will send less than a ton of solid waste to landfills each year. In 1999, NC generated solid waste of 1.22 tons per capita, up about 20 percent from 1992.

**Goal 4: Support a modern technology infrastructure that will help residents, communities, and businesses achieve their economic, educational, and social goals.**

In North Carolina, we are astute enough to see the need for innovation, but not always bold enough to pay for it. Despite early movement to establish affordable, high-speed access to the Internet, the state today lags behind most others in its performance on technology infrastructure issues. Perhaps the greatest challenge lies in determining the state's appropriate role in promoting technology and identifying the most cost-effective opportunities for public investment.

**Facts:**

- North Carolina was ranked 45th in the nation in the percentage of households with computers in 1998.
- Only 35% of NC households had computers and only 20% had Internet access in 1998.
- In 1999, NC was ranked 48th in the nation in the number of students per Internet-connected computer.
- NC is 33rd in the nation in the digital delivery of governmental services (28th in using digital technologies to improve public services).
- Nationally, households with incomes of at least \$75,000 are 20 times more likely to have access to the Internet than are lower-income households.

**Targets:**

1.) **Personal technology access.** At least 90% of households will have personal computers and Internet access. In 1998, only 35% of NC households had computers and only 20% had Internet access.

2. **School technology access.** NC will rank in the top 20 states for the ratio of students to Internet connections. In 2001 there were 5.7 students per Internet connected computer. National rankings put NC 48<sup>th</sup> in students per Internet-connected computer based on 1999 data, 47<sup>th</sup> in students per multimedia computer, and 43<sup>rd</sup> in classrooms with Internet access.

3. **Digital government.** NC will rank in the top 10 states for its digital delivery of governmental services. In 1998, NC was 28<sup>th</sup> in the US in using digital technologies for improving public services.

4. **Digital divide.** At least 90% of counties will have affordable access to the latest data delivery technology. The rural/urban connectivity cost ratio is over 10:1 (based on the cost of a T-1 line).

**Goal 5: Adopt flexible public policies and partnerships with regard to infrastructure development.**

As the pace of economic and social change accelerates, the way in which our public agencies make decisions will have to become more "foresighted," far-sighted, flexible, fleet of foot, collaborative, *and* competitive. We will need government structures that can make quick, effective shifts in direction and respond to lightning-like changes in conditions and requirements. To remain competitive in the 21<sup>st</sup> century, we will have to reinvent what are largely 19<sup>th</sup> century governmental structures.

**Facts:**

- North Carolina was 43rd in the nation in per capita highway spending.
- Over 60% of NC's rural communities have low bond ratings.
- 90% of NC's water systems serve fewer than 3,300 customers.
- Only 33% of North Carolinians are served by water systems with more than 100,000 customers.

**Targets:**

1.) **Business climate.** NC will rank in the top 10 states as a place to do business. In 2000, *Site Selection* magazine ranked NC 2<sup>nd</sup>, 4<sup>th</sup> and 5<sup>th</sup> in the nation for three key business climate indicators (new and expanded facilities, new jobs, and capital investments), but two of these rankings had dropped from the previous year.

2.) **Public-private partnerships.** NC will rank in the top 10 states for university R&D spending and spin-outs. In 1997-98, NC was 10<sup>th</sup> in the US in university R&D spending and 24<sup>th</sup> in university spin-outs.

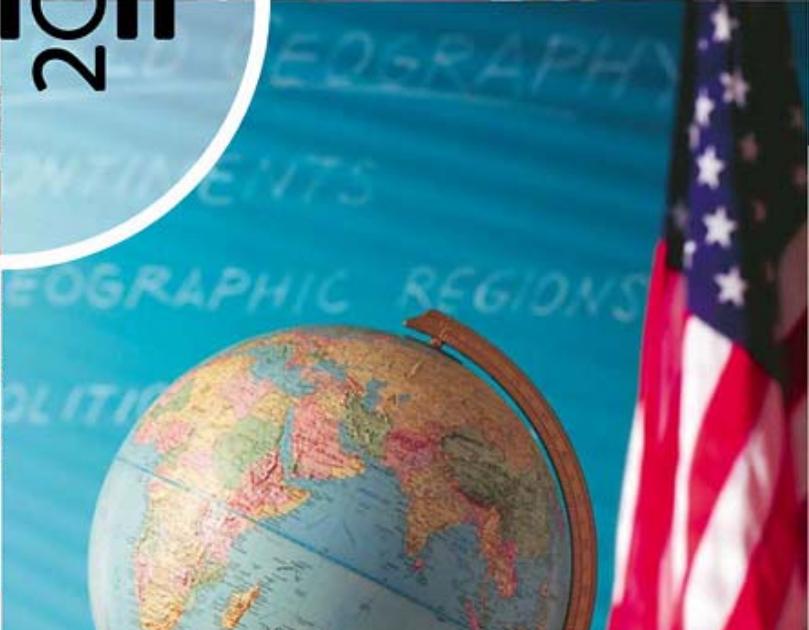
3.) **Capital investment.** NC will rank in the top 10 states for per capita state and local capital expenditures. In 2000, NC ranked 39<sup>th</sup> in per capita state and local government debt and 35<sup>th</sup> in debt as a percent of revenue.

4.) **Infrastructure planning.** At least 90% of residents will be served by large water systems (i.e., those serving more than 100,000 persons). Currently only 33 percent of NC residents are served by large water systems.

**Imperative 8: Active Citizenship/Accountable Government**



**Vision  
20/20**



## Active Citizenship/Accountable Government

### Vision for 20/20

**Knowledgeable, informed citizens actively participate in their state and local governments and hold their governments accountable for the resources they receive and the services they provide. Citizens are empowered and actively engaged in government. As the owners of government, they have a vested interest in governance, demanding accountability, effective and appropriate services, and responsiveness.**

**Accountable government is effective, efficient, and responsive government. It addresses the changing needs of the state and its citizens in an efficient, appropriate, and equitable manner. It demonstrates sound planning and fiscal management. It encourages its citizens to be informed participants in civic affairs and actively involved in the governing process.**



**Goal 1: Citizens assume an active, informed, and meaningful role in civic affairs at all levels.**

Civic involvement is no mere luxury. In a democracy, the power to govern derives from the people. Voting is the most fundamental form of civic engagement, but also important are the voluntary activities and services that enable us to create a community out of a disparate collection of individuals. To be most effective as citizens, we must come to the task armed with a basic understanding of our government and of domestic and international issues.

#### **Facts:**

- An estimated 71% of citizens 18 and older are registered to vote.
- Voter turnout in the 2000 presidential election was 58.2%, the lowest since 1972.
- Voter turnout in the non-presidential election of 1994 was only 28.6%.
- North Carolina has the 36th worst voter participation rate in the nation.
- Students in service learning programs are more likely to vote, stay in school, and participate in the community, and they have a higher academic performance, according to the Education Commission of the States.
- Americans are 15-20% less interested in politics and 25% less likely to vote in 1994 than in 1973.
- Only 4.2% of high schoolers in 1999-2000 took courses in International Relations or World Cultures.

#### **Targets:**

1.) **Voting.** 80% of eligible voters will be registered to vote. In addition, 85% of registered voters will cast ballots in presidential elections, 75% will vote in even-year, non-presidential elections, and 60% will vote in odd-year, local elections. Voter turnout in the 2000 presidential election (58%) was the lowest recorded voter turnout since 1972.

According to the Corporation for Enterprise Development, NC is ranked 36<sup>th</sup> in the US in voter participation.

2.) **Community service.** By 2010, 50% of all high schools will require community service hours for graduation. No data are available on high schools that require community service hours for graduation, but 59 schools offer the curriculum-based “Learn and Serve” programs.

3.) **Civic knowledge.** More citizens will understand their governments and the way they work. The Civic Education Consortium of the UNC Institute of Government has developed a *Civic Index* that will create a way to track civic knowledge.

4.) **Global knowledge.** At least half of all high school students will take a course in international studies. Their teachers in turn will have demonstrated competency in the field. In 1999-2000, only 4.2% of high schoolers took an international studies class. Furthermore, a secondary social studies teacher must demonstrate competency in several areas (e.g., economics, geography, history and sociology), but not international studies.

## **Goal 2: State and local governments are accountable and accessible to all citizens.**

If the power to govern derives from the people, then the first responsibility of any government is to ensure that the people have an effective means of participation. This includes opening government to public scrutiny and eliminating barriers to participation.

### **Facts:**

- Only 33 counties in North Carolina use automated touch-screen voting systems.
- 15 counties still use punch card or lever machines.
- NC was tied for 26<sup>th</sup> in the US in the percent of adult Internet users visiting state or local government web sites.
- 41% of all county governments serving more than 100,000 residents and 62% of all cities serving more than 50,000 residents have received the Government Finance Officers Association budget award; state government has not.

### **Targets:**

1.) **Election system integrity.** Every eligible and interested citizen will find it easy to register and vote, and every vote cast will be accurately counted. In North Carolina, all citizens may register to vote when they obtain a driver's license, but voter registration rolls at the voting booth are not always current. Only 33 of North Carolina's counties use modern, automated touch-screen voting systems.

2.) **Public information access.** NC will rank among the top 10 states in state government web site use and quality. In 2000, NC was tied for 26<sup>th</sup> in the US in the percent of adult Internet users visiting state or local government web sites. A Brown University study found that NC's state government web site was tied for 11<sup>th</sup> in the US in terms of quality, accessibility, and security.

3.) **Government performance measurement.** State and local governments will use performance measures for planning, budgeting, decision-making, and monitoring. In 2001, data were not available on the status of the state government's performance measurement initiative (the NC Performance Measures Status Report 2000).

4.) **Government financial accountability.** The state and local governments will maintain the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award. As of 2001, the state had not yet received this award. In contrast, 41 local governments in North Carolina, including 43% of all county governments serving over 100,000 residents and 62% of all cities serving over 50,000 residents, had earned the GFOA budget presentation award.

**Goal 3: State and local governments are effective, efficient, financially sound, and responsive to all citizens.**

Fiscal health is a prerequisite to effective government. Government also depends on qualified elected leaders and on trained, knowledgeable, and inventive appointment officials. To recruit and retain the best people, governments of the 21<sup>st</sup> century will have to commit substantial resources to training and development.

**Facts:**

- North Carolina earned a "B" rating in finances, human resources, information technology, capital management, and results-oriented management in the Government Performance Project of Syracuse University's Maxwell School of Citizenship and Public Affairs. (p. 202)
- In 1998, NC was ranked 28th in the nation for using digital technologies for improving public service.
- In 2000, NC had the 34th highest state and local government expenditures per 10,000 residents. NC has the 19th most state employees and the 28th most local government employees per capita in the nation.
- Employee turnover in state government is speeding up. The three-year retention rate from 1987 to 1990 was 60%. Ten years later, it was less than 50%.
- In 2000, approximately \$9 billion of the \$14.2 billion state budget was spent on personnel.

**Targets:**

1.) **Governmental effectiveness.** 100% of NC's largest cities (with 25,000 or more people) and counties will have a council-manager form of government, and NC will be among the top 10 states in using digital technologies for improving public service. In 1995, 100% of NC's largest cities (serving at least 25,000 persons) and 99% of NC's counties employed the council-manager form of government. In 1998, NC was ranked 28<sup>th</sup> in the US in using digital technologies for improving public service.

2.) **Governmental efficiency.** State and local governments in North Carolina will provide public services while maintaining per capita expenditures below the national average. In 2000, NC ranked 34<sup>th</sup> in state and local government expenditures per 10,000 residents.

3.) **Fiscal health.** The state will maintain its AAA bond rating, and all local governments will maintain or improve their bond ratings by 2010. The state has maintained its AAA bond rating since 1963. Most local governments are fiscally strong; 69 of North Carolina's counties are rated "A" or above by one or more of the bond rating agencies, 5 are rated "BB" or higher, and 26 are unrated.

4.) **Public sector training.** 90% of local elected officials will complete leadership and training courses. Furthermore, 2% of public personnel costs will be devoted to employee training and skill development. In the 1990s, an average of 90% of new county commissioners and (70%) 16% of municipal office holders completed training offered through the NC Institute of Government. As of 2001, public training and development expenditures were not tracked.

The full text of **North Carolina 20/20** report is available on the World Wide Web at [www.theprogressboard.org](http://www.theprogressboard.org)  
It contains endnotes, a key word index, and searchable text

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