



October 3, Issue 645

## What's Up

State Legislative Balance Likely to Remain Intact: While the race for governor appears right now to be up in the air, it appears likely that the GOP lawmakers will keep control of the legislature following the November elections. To that end, Democrats in the legislature instead are seeking a smaller prize -- narrowing GOP majorities in one or both chambers. That way, they hope, Republicans no longer would have the veto-proof margins they've enjoyed since 2013. If Roy Cooper, the attorney general seeking to unseat McCrory, were to win, that could stop legislation he and fellow Democrats find objectionable.

The Associated Press reports that many Republicans hold safe seats. That's because of favorable district lines they drew and a recovering state economy. But if Democrats win four more seats overall in the 120-member House or five seats in the 50-member Senate, they could sustain gubernatorial vetoes on partisan issues. "We have noticed a sense of hopelessness among Democrats, but we are able to give them hope," said Rep. Grier Martin, a House Democratic leader. "The fact that we've got the ability to erect a stop sign is something that people can understand."

**Behind-the-Scenes:** Democrats are centering on swing districts around North Carolina's two largest cities, Raleigh and Charlotte. That's where rural-suburban real estate is sprouting shopping centers, subdivisions and newcomers from out of state who do not have local political loyalty. Many have registered to vote as unaffiliated with either party, with the number of unaffiliated voters more than doubling since 2004, comprising nearly 30 percent of the electorate -- nearly on par with Republicans.

## **Lottery Update**

The Charlotte Observer reports that some players are winning so often, and so big, their good fortune defies logic. Almost certainly, experts say, some are more than lucky and may be gaming the system. And the losers are the state's taxpayers, single parents and those who

follow the rules. The Observer found players who beat huge odds so consistently that statisticians said chances of being that lucky were less than one in a trillion. "You have to ask yourself, 'How is this happening?'" said Ron Wasserstein, executive director of the American Statistical Association. "It doesn't pass the smell test." An Observer investigation found:

- Many players beat overwhelming odds for months at a time, raising red flags about how they won.
- Most big-prize winners won once or twice. But the number of repeat big winners some of whom won on 15 or more scratch-off tickets in a single year has catapulted since the lottery began in 2006, far outpacing the growth in total winners.
- Other top winners may not be the actual winners at all. Because North Carolina has a
  profitable secondary market in which players resell winning tickets to avoid automatic
  withholdings, such as back taxes and child support. For more info: <u>Against the Odds: Are
  big winners gaming the lottery?</u> | 5 ways to improve the NC Lottery

## **Other News**

**Indictment:** A veteran North Carolina state senator was indicted last week by a federal grand jury on charges alleging he spent more than \$200,000 in campaign funds over nine years for his personal benefit. The 14-count fraud and money laundering indictment is against Sen. Fletcher Hartsell, R-Cabarrus. It was handed down in central North Carolina federal court district, coming three months after a Wake County grand jury indicted Hartsell, former chair of the Legislative Ethics Committee, on three state counts of filing false campaign reports.

In 2013, the State Board of Elections began auditing his campaign finances after questions were raised about credit card payments made using campaign funds. Some \$210,000 belonging to Hartsell's campaign committee was improperly spent "on personal goods and services for his own enrichment" from early 2007 through the end of last year, according to the indictment.

The indictment says Harstell took money from his campaign account and channeled it to his law firm and a company he owned with his wife. The indictment says Hartsell had justified to State Board of Elections investigators spending campaign money on trips to Edenton and to Charleston, SC, as well as for tickets to see "Jersey Boys" and to get haircuts. Hartsell's campaign committee money also went to personal items such as lawn care, finance charges on personal credit cards and club memberships, or it went to reimburse his law firm for his personal expenses, according to the indictment.

Hartsell faces five counts of mail fraud, three counts of wire fraud, and six counts of money laundering. Each count is punishable by up to 20 years in prison and a minimum of \$500,000 in fines or property value. Campaign finance laws "must be enforced in order to protect the integrity of the American democratic process. If you abuse the power granted to you as an elected official, the FBI will work tirelessly to ensure you are held accountable for your actions," John Strong, the FBI's top agent in Charlotte, said in a release. Hartsell, 69, joined the Senate in

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1991 and is the chamber's longest-serving senator, completing his 13th term. He decided last year not to seek re-election this fall.

**State Schools Leader Update:** State Schools Superintendent June Atkinson had an assignment for some of her former employees recently: Take every opportunity to promote North Carolina's schools, whether talking with friends or shaking hands at a wedding. 'Congratulations to the groom, best wishes to the bride and, oh, by the way -- did you know our graduation rate is at an all time high?'," she instructed a room of laughing educators. "All of us can take pride in knowing we have moved the needle so much."

The Wilmington Star-News reports that Atkinson visited Wilmington last week to speak with the New Hanover County Retired School Personnel organization. The group is affiliated with the N.C. Association of Educators that brings together former teachers, principals, bus drivers and other local educators. Atkinson, a Democrat who has served as state superintendent since 2005, is up for reelection this year. Republican Mark Johnson, an attorney and member of the Winston-Salem/Forsyth County School Board of Education, is challenging Atkinson for the post.

**Local News:** A Cedar Ridge High School teacher resigned recently after concerns were raised about potentially inappropriate political comments that students said she made in her English classes. The accusations against English teacher Amanda Harder were reported last week by an online blog – LadyLiberty1785.com – and publicized by national and international news outlets over the weekend.

Chairman Stephen Halkiotis addressed the issue at the beginning of the Orange County School Board's meeting last week, announcing that Harder had voluntarily resigned. "We all know this is a tense topic given the election season," Halkiotis read from a prepared statement. "Please know that our Board of Education has clear policies that prohibit staff from promoting or denouncing a particular candidate or party. While our teachers are free to educate students about political issues, when relevant to the curriculum, there is a fundamental difference between educating and advocating; between informing and voicing personal views," he said.

## **Quote of the Week**

"The White House wants to discourage inquiry. Democracies die in the darkness. If we don't know what's going on, we will really get screwed."

- Pulitzer Prize-winning reporter Bob Woodward, in a national meeting attended last week in D.C. by your NCACTE lobbyist, Dave Simpson.

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