

PIE SOCIETY

BAKERS SHARE THEIR SECRETS

LIFE, ETC.

THE NEWS & OBSERVER

NEWS UPDATES AT WWW.NEWSOBSERVER.COM • FINAL EDITION, 75 CENTS WEDNESDAY, JUNE 30, 2010 ©2010 THE NEWS AND OBSERVER PUBLISHING COMPANY • RALEIGH, N.C.

MORE NEWS

UPDATES ALL DAY AT NEWSOBSERVER.COM

268

DOW AVERAGE FALLS BELOW 10,000

Other indexes fell on worries about the global economy. The sell-off began in Asia after researchers revised a Chinese index of economic indicators to its lowest in five months. **4B**

STATE STARTS HIGH-RISK POOL

North Carolina could begin taking applications Thursday for a federal program that will allow chronically uninsured patients with pre-existing conditions to get coverage. **1B**

EAT YOUR SQUASH

For more than a decade, fried-squash Wednesdays have been an event at the legislative cafeteria. Revenue spikes by thousands of dollars. **1B**

KAGAN MATCHES WITS WITH SENATORS

Judiciary Committee members peppered her with questions to discern a philosophy and sense her temperament. **3A**

STORM CHASES OUT OIL CLEANUP BOATS

Less skimming work, combined with gusts driving water into the coast, has left beaches especially vulnerable. **5A**

LARRY KING IS SIGNING OFF

The 76-year-old will end his quarter-century run on CNN this fall. He'll still do specials now and again. **2A**

Budget snips and trims, kicks deficit down road



Brookie McLamb, 63, of Benson, is recovering from heart surgery. Felicia McNeil, a home-care assistant, and McLamb's daughter Barbara McLamb, right, help. The budget cuts \$50.7 million to in-home care services.

COREY LOWENSTEIN - clownst@newsobserver.com

The \$19 billion measure is likely to pass today

BY BENJAMIN NIOLET, ERIC FERRERI AND LYNN BONNER  
STAFF WRITERS

RALEIGH — House and Senate Democrats voted for a \$19 billion budget Tuesday that avoided many of the deepest cuts under consideration, but leaves a deficit for next year that could swell to \$3 billion.

No one is claiming to be thrilled with the budget, which covers the fiscal year that begins Thursday. Democrats, who control both legislative chambers and write the budget, noted that they propose to cut spending across all categories of government to cope with an \$800 million revenue shortfall caused by the recession.

“A priority for this legislature was to act decisively to create jobs, encourage economic activity and provide job training and educational opportunities and protect core government services,” said Rep. Mickey Michaux, a Durham Democrat.

Republicans say Democrats just didn't cut enough and didn't take measures to deal with next year's deficit, which is assured, as tax increases adopted last year expire and federal stimulus dollars evaporate.

“I've heard all this talk about tough decisions,” said Rep. Johnathan Rhyne, a Lincolnton Republican. “I suggest to you there's not one tough decision in this bill.”

The budget plan requires one more vote, scheduled for today. It is expected to pass, and Gov. Bev Perdue is expected to sign it. This year would be the first in seven that the state has had a budget in place before the fiscal year starts.

“As it stands after today's vote, this budget is a clear win for the people of North Carolina,” Perdue said in a statement after the vote. “We took big cuts and made hard

MONEY WOES ALL OVER

Budget fallout: DOT, HHS and UNC will grapple with budget cuts. **▶ 8A**

Shakedown? Republicans criticize a Democratic fundraiser. **▶ 3B**

WINNERS

Teachers: State lottery money saves 1,600 jobs.

Community college students: \$33 million for new high-tech equipment.

Low-income AIDS patients: More help paying for prescriptions.

Ferry riders: A bigger ferry subsidy and still no tolls on most routes.

State employees: No pay cuts.

LOSERS

Athletic boosters: No more in-state tuition for out-of-state athletes.

In-home personal care recipients: 18,000 will lose services.

School bus riders: Bus purchases suspended, except for emergencies.

Automobile drivers: Highway maintenance spending cut by \$4.4 million.

State employees: No raises.

SEE BUDGET, PAGE 8A

Free again? Not on the road

You'd think Greg Taylor had already journeyed through the deepest circles of hell. He'd been convicted of a murder he didn't commit. He'd served 17 years in prison. He'd lost his wife and missed his daughter's childhood before finally, finally having his conviction overturned.

But ... he hadn't yet tangled with the N.C. Division of Motor Vehicles.

Taylor was cleared in February by the historic action of a three-judge panel authorized by the state Innocence Commission. He was pardoned by Gov. Bev Perdue. On Monday, he was awarded three-quarters of a million dollars for his ordeal. (That's \$50,000 a year for 15 years — the number of years at which damages are capped. I guess the other two years were undeserving of recompense?)

Yet he had unfinished business.

See, Taylor's license had been revoked in 1989 for driving while intoxicated. He would have gotten it back long ago except for one small detail: He was behind bars.

So after his release, Taylor, now 48, set about restoring his driving privileges. First step was an alcohol and drug assessment. Cost: \$100.

“The guy who was my counselor had been sober 15 years,” said Taylor, who has

Taylor's driving is restricted.

SEE SHEEHAN, PAGE 9A

Ruth Sheehan

Assassination: Candidate's slaying shows gangs' reach. **▶ 6A**

discovered something else.

The smugglers had bought the DC-9 with laundered funds they transferred through two of the biggest banks in the U.S.: Wachovia and Bank of America.

This was no isolated incident. Wachovia, it turns out, had made a habit of helping move money for Mexican drug smug-

SEE BANKS, PAGE 9A

Free Installation

Call for details. 919-954-1532 cpisecurity.com

WARNING  
CPI  
SECURITY SYSTEMS