

The Raleigh Report

Published by
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No audit engagements accepted.
No new tax clients sought.
Writing and consulting clients and speaking
engagements welcomed as time permits.

*"For there is nothing covered, that
shall not be revealed; neither hid,
that shall not be known."*

Luke 12:2

Fern Shubert's Raleigh Report has been published irregularly for over a decade, starting shortly after she was elected to the NC House in 1994. Her election was a surprise to many considering her lack of political experience and the fact she was running only because no one else would run as a Republican in such a gerrymandered district.

Fern Shubert is a CPA with extensive experience in forensic accounting and tax matters. She is a graduate of Duke University (Phi Beta Kappa, Magna Cum Laude) and passed the CPA exam before graduating. Because of her background, she was among the first to spot the NC corruption issues only now being partially revealed by the mainstream media.

We're going to be on the web at
RaleighReport.com and NCGerrymandering.info
4Fern.com, an archive of the 2004 Governor Campaign website is already online

Remarks concerning redistricting made at the Public Hearing held by The House Committee on Pender/New Hanover Redistricting at the Legislature on May 5, 2009:

There has not been an election in this century using legislative districts that comport with the North Carolina Constitution, and it would appear from the name of this committee that the intent of some is to continue to ignore our Constitution for as long as possible. I would strongly suggest you rename this committee, because using erroneous census numbers and dividing Union County between three House districts to accommodate Representative Pryor Gibson is every bit as unconstitutional as what was done in Pender and New Hanover.

Let me also remind you of the pending Dean v. Leake case. The Census Bureau notified legislative staff of an error in the original Census numbers, but staff, presumably at the direction of legislative leaders, did not correct the redistricting computers. Instead, those aware of the error conspired to keep legislators who might oppose drawing districts using incorrect census numbers in the dark about the significant correction in the Orange County numbers. Regardless of the outcome of the case, I believe every individual who kept that particular secret needs to resign or be removed; whether they are a legislator or a staff member is irrelevant.

Those who kept the census number changes secret did not just deceive other legislators; they also betrayed the public trust. Jim Black's actions were no more disgusting than those described in Dean v. Leake; both involve fundamental dishonesty. There is a distressing pattern of deception in the pursuit of power that persists because individuals who claim to be honest have been willing to ignore or help conceal the flagrant dishonesty of others. To date, the press has even tried to ignore the obvious implications of Dean v. Leake.

NEWS YOU CAN USE
(THAT OTHERS WON'T
PRINT - WONDER WHY?)

SPECIAL POINTS OF INTEREST:

- Concrete proof Pay-to-Play predates Easley
- Contrasting coverage highlights reporting bias
- Looks like SBOE Chair Leake knew about free flight favors to Easley long ago - and ignored the issue as State Board of Elections Chairman
- Democrats are not the only ones who like the current gerrymandered legislative districts - some Republicans don't want a new Constitutional map before 2010 - or so it seems

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RALEIGHREPORT.COM

JUNE 11, 2009

In Defense of Mike Easley - Don't Let Him Leave Alone

By Former Senator Fern H. Shubert

Earlier today (June 11, 2009) I posted the following comment following Ruth Sheehan's column in the online edition of the Raleigh News & Observer:

Paul O'Connor's 1997 column about Senator Player makes it abundantly clear that Pay to Play did not start with Mike Easley; Hunt was Governor in 1997, and cover-ups were common. Why don't you reprint the column and explain the references? Too hot to handle?

Using state money to pay for silence to protect insiders appears to be such a

time honored tradition I'm amazed the N&O has failed to follow precedent and revealed a few of the lies that in times past were ignored. Thank goodness for the Feds.

If you want to clear your conscience, how about a full list of the way state funds have been used to benefit insider investors? Which high officials were using state funds to enhance their investment profits or buy political contributions?

I'll say the same thing about Easley that I did about Black - Don't let him leave alone. If the house cleaning stops with Easley, nothing will have been accomplished. The bene-

fits Easley received for playing the role of Governor were pocket change.

To elaborate:
Watching the breaking news concerning the Easleys is far more fun for those of us who warned of the corruption than for those who ignored it, enabled it, or are worrying about a call from the FBI. And don't let anyone tell you favor-swapping in Raleigh is new news. The insider arrogance currently on display is not new; the only thing new is the federal investigation which is (Cont. - Page 2 - Pay to Play Existed Before Easley)

The silence about gerrymandering speaks volumes

If you've never heard of Dean v. Leake, don't feel alone. One of the scariest cases ever filed in NC is a closely guarded secret..

Even the NCGOP, which might have been expected to expose the fact critical info on redistricting was kept secret from many legislators - presumably at the direction of Black, Hackney, Morgan, Basnight, Rand and perhaps others - has not even a whisper about the case posted on their website. The whole case should be there.

Even more inexplicable, there has been no major public outcry by the NCGOP or Republican legislative leaders over the failure of the legislature to follow the directives of not just the NC Supreme Court but also the US Supreme Court and draw districts that respect the North Carolina Constitution's whole county rule that limits the opportunities for gerrymandering.

Since everyone agrees the 2010 legislative races are critical because the legislators

elected will draw not just legislative districts but Congressional districts for the next 10 years, you would think this would be a major issue. Until you really thought about it.

Many elected Republicans like their current districts. The Democrat gerrymander did target some Republicans, like me, who didn't close their eyes to Black's malfeasance, but a lot of Republicans were favored with very safe packed districts to enable the Democrats to keep control. Their silence is deafening.



Seats for sale? Why stop at DOT? Expand the franchise by adding boards - UNC, Wildlife, Appraisals, the options are endless . . .

One particularly interesting passage explained how "Senator Plyler" made the driving problem of a lady senator who might "be governor some day" disappear.

Pay to Play Existed Before Easley

the revelation of facts that would otherwise never be printed.

As a member of the Republican controlled House, I voted against the 1997 budget even though leaders of my party helped negotiate it. Easley was not Governor then; Hunt was. And the misuse of public funds for private benefit was already clear to anyone with any degree of financial knowledge who was willing

to face the truth.

Paul O'Connor and I were seldom on the same page politically, but I always admired his skill as a writer and his October 1997 column "On becoming 'the devil's salon'" was one of the funniest and saddest things I've ever read. In a delightfully tongue in cheek fashion, Paul described how he became "Senator Plyler" and DOT fixed his "driveway" in return for help in the state budget.

When DOT magically appeared to fix his "driveway," Paul asked "How much do I owe you?" and was told "Nothing, senator . . . the governor helps all the players on his team. That's your name, isn't it, Senator Plyler?"

As Paul said, "Now I knew how it felt to be a Plyler. I called a buddy" and offered him a chance to be on the Board of Transportation. The buddy's re-

Contrast the Coverage - Biased?

sponse was classic: "don't you have to go to an auction and give the highest campaign contribution to the governor?" The unequivocal answer was "Yes" but then the benefits of paying to play were explained.

There's much more, including an explanation of some of the trash hiding in the '97 budget that persuaded me to vote against it, a vote wildly mischarac-

terized by my 1998 opponent who was supported by Senator Plyler. One particularly interesting passage explained how "Senator Plyler" made the driving problem of a lady senator who might "be governor some day" disappear. The hypocrisy of the press coverage of Cary Allred becomes a lot clearer when it is compared to the almost total lack of timely cover-

age of far more serious allegations.

The idea the press is really concerned by Easley improprieties is absurd given the timing of the "revelations." The MSM waited 'til the baton was passed to Perdue, just as Black continued to get kid gloves coverage 'til after the 2006 election. The system is still being protected at the expense of the public.

Want to make money in NC?

Buy cheap land and cheap politicians. . .

As I've said many times over the last decade, the surest way to make serious money in NC is to buy cheap land and cheap politicians. I've also said that the corruption in Raleigh might be incurable because so few realize what is happening is corrupt; many of those in a position to blow the noth-

ing wrong because they and their friends are such good people they couldn't possibly be guilty of doing wrong. Sheehan's column is an excellent example of making excuses for missing the obvious.

But now that it is obvious that the Easleys swapped favors, using political

power for private benefit, when will the News & Observer and other papers follow the money trail to the real political powers?

Easley was clearly not the first powerful politician to receive favors he would prefer not to read about in the papers, and unless Easley has some hidden ac-

Could Board of Elections Chair Larry Leake be Next?

counts not yet revealed, the personal benefit to him was paltry compared to the cost to the public of misdirected public funds. Easley may have been the Governor, but it appears his role was fall guy to divert public attention from the real power centers.

Who will be the next step up the chain of revelations? Will the press investigate Larry Leake and demand his resignation from the State Board of Elections? If unreported political contributions of transportation are a problem, it is hard to understand how Leake missed the issue since Easley reportedly received a helicopter ride from state contractors to a fundraiser at Leake's house.

Or will the press look at how the Rural Center operates and



"Easley arrived [at Leake's house] in a helicopter owned by road contractors Phillips & Jordan, whose principals had done time in a bid-rigging scandal involving NC DOT contracts."

North Carolina Conservative
October 29, 2005

why they made grants to non-rural counties, how the Clean Water Trust Fund resembles a slush fund, and how insiders created Golden Leaf using funds that should have been used for health care to provide another way to bestow political fa-

vors? Will they follow up on the Forbes story about misuse of state pension funds and trace who made money on some of the "alternative investments" arranged by those with political ties to state officials?

Maps comparing concentrations of state funds to the financial holdings of prominent officials could be interesting.

Or what about a list of the state officials who invested with the developers named in the articles about Easley?

There's enough corruption to be exposed to sell a lot of papers. I hope the press profits from providing a full explanation of who has been using public funds for personal benefit.

"There's enough corruption to be exposed to sell a lot of papers."

NC & US Supreme Courts Said Draw Constitutional Districts

So Why No Outcry Over Lack of Legislative Action?

The instructions of the North Carolina Supreme Court in *Bartlett v. Strickland*:

"the formation of legislative districts must comport with the requirements of our State Constitution, unless federal law supercedes those provisions. . . ."

"we direct that all redistricting plans for the North Carolina House of Representatives and North Carolina Senate comply with the principal holding of this case"

"We are cognizant that the General Assembly will need time to redistrict not only House District 18 but also other legislative districts directly and indirectly affected by this opinion. . . ."

"At the conclusion of the 2008 election, House District 18 and other impacted districts must be redrawn. All redistricting performed thereafter shall comply with this opinion. . . ."

Those instructions were affirmed by the US Supreme Court. I believe it should be clear both courts expect the members of this legislature to draw Constitutional districts which respect the whole county rule for the next election cycle, and I think the public expects that as well.



Anson County's Bridge to Nowhere