

**SENATE APPROPRIATIONS/
BASE BUDGET COMMITTEE**

**REPORT ON THE
CONTINUATION, EXPANSION,
AND CAPITAL BUDGETS**

Senate Bill 744

North Carolina General Assembly

May 29, 2014

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General Fund Availability Statement

	FY 2014-15
1 Unappropriated Balance Remaining from Previous Year	323,693,704
2 Anticipated Undercollections from FY 2013-14	(445,400,000)
3 Anticipated Reversions from FY 2013-14	371,600,000
4 Less Earmarkings of Year End Fund Balance	
5 Savings Reserve	(42,989,870)
6 Repairs and Renovations	(42,989,870)
7 Beginning Unreserved Fund Balance	163,913,964
8	
9 Revenues Based on Existing Tax Structure	19,972,100,000
10	
11 Non-tax Revenues	
12 Investment Income	11,300,000
13 Judicial Fees	244,500,000
14 Disproportionate Share	109,000,000
15 Master Settlement Agreement	137,500,000
16 Other Non-Tax Revenues	195,500,000
17 Insurance	77,000,000
18 Highway Fund Transfer	215,900,000
19 Subtotal Non-tax Revenues	990,700,000
20	
21 Total General Fund Availability	21,126,713,964
22	
23 Adjustments to Availability: 2014 Session	
24 Transfer from Cash Balances from Department of Agriculture and Consumer Services Special Funds	1,449,680
25 Transfer from Cash Balances from Alcoholic Beverage Control Enterprise Fund	3,500,000
26 Transfer from Interest from Department of Environment and Natural Resources (DENR) Special Funds	938,670
27 Diversion of Funds from DENR Inspection and Maintenance Control Special Fund	3,000,000
28 Diversion of Funds from DENR Water and Air Account Special Fund	1,000,000
29 Transfer of Federal Insurance Contribution Act (FICA) Fund Cash Balance	5,255,000
30 Adjustment of Transfer from Insurance Regulatory Fund	(399,128)
31 Adjustment of Transfer from Treasurer's Office	1,959,528
32 Increase from ABC Permit Fees	9,600,000
33 Redirection of Funds from Gross Premiums Tax on Property Coverage Contracts to General Fund	1,600,000
34 Four-year Phaseout of Provision of Medicaid Hold Harmless Law Guaranteeing Counties \$500,000 Benefit	5,990,000
35 Subtotal Adjustments to Availability: 2014 Session	33,893,750
36	
37 Revised General Fund Availability	21,160,607,714
38	
39 Less: General Fund Appropriations	(21,160,607,714)
40	
41 Unappropriated Balance Remaining	0

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SUMMARY:

**GENERAL FUND
APPROPRIATIONS**

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Summary of General Fund Appropriations

Fiscal Year 2014-15

2014 Legislative Session

	Enacted Budget 2014-15	Recurring Adjustments	Legislative Adjustments		FTE Changes	Revised Appropriation 2014-15
			Nonrecurring Adjustments	Net Changes		
Education:						
Community Colleges	1,016,487,467	23,002,241	(851,572)	22,150,669	0.00	1,038,638,136
Public Education	8,046,101,622	62,998,391	3,543,410	66,541,801	0.00	8,112,643,423
University System	2,599,901,709	13,731,197	3,920,862	17,652,059	0.00	2,617,553,768
Total Education	11,662,490,798	99,731,829	6,612,700	106,344,529	0.00	11,768,835,327
Health and Human Services:						
Central Management and Support	76,301,328	(5,028,255)	0	(5,028,255)	1.00	71,273,073
Aging and Adult Services	54,342,341	(969,549)	0	(969,549)	0.00	53,372,792
Blind and Deaf / Hard of Hearing Services	8,178,618	0	0	0	0.00	8,178,618
Child Development and Early Education	254,314,609	(1,893,496)	(16,138,232)	(18,031,728)	(1.00)	236,282,881
Health Service Regulation	16,411,479	(288,000)	0	(288,000)	0.00	16,123,479
Medical Assistance	3,608,119,091	47,290,810	148,898,158	196,188,968	0.00	3,804,308,059
Mental Health, Dev. Disabilities, & Sub. Abuse Services	704,985,988	(13,233,565)	(16,598,589)	(29,832,154)	(45.66)	675,153,834
NC Health Choice	57,747,933	(15,813,961)	0	(15,813,961)	0.00	41,933,972
Public Health	141,941,587	(4,488,034)	(5,782,163)	(10,270,197)	(21.00)	131,671,390
Social Services	176,558,432	11,389,357	1,000,000	12,389,357	9.00	188,947,789
Vocational Rehabilitation	38,773,169	(575,336)	0	(575,336)	(11.95)	38,197,833
Total Health and Human Services	5,137,674,575	16,389,971	111,379,174	127,769,145	(69.61)	5,265,443,720
Justice and Public Safety:						
Public Safety	1,690,014,006	65,131,903	(4,501,732)	60,630,171	174.08	1,750,644,177
Judicial	456,426,252	3,502,988	0	3,502,988	0.00	459,929,240
Judicial - Indigent Defense	111,357,264	416,556	0	416,556	(1.00)	111,773,820
Justice	82,308,926	(48,229,079)	0	(48,229,079)	(638.50)	34,079,847
Total Justice and Public Safety	2,340,106,448	20,822,368	(4,501,732)	16,320,636	(465.42)	2,356,427,084
Natural And Economic Resources:						
Agriculture and Consumer Services	115,409,902	(2,488,622)	3,409,639	921,017	(18.35)	116,330,919
Commerce	56,733,282	(3,888,417)	(302,936)	(4,191,353)	(1.00)	52,541,929
Commerce - State Aid	15,624,767	21,473	250,000	271,473	0.00	15,896,240
Environment and Natural Resources	157,767,236	3,531,255	5,691,135	9,222,390	19.78	166,989,626
Labor	16,696,339	(47,201)	0	(47,201)	0.00	16,649,138
Wildlife Resources Commission	14,476,588	(521,982)	400,000	(121,982)	1.00	14,354,606
Total Natural and Economic Resources	376,708,114	(3,393,494)	9,447,838	6,054,344	1.43	382,762,458

Summary of General Fund Appropriations						
Fiscal Year 2014-15						
2014 Legislative Session						
	Enacted Budget 2014-15	Recurring Adjustments	Legislative Adjustments Nonrecurring Adjustments	Net Changes	FTE Changes	Revised Appropriation 2014-15
General Government:						
Administration	67,047,033	(2,023,279)	0	(2,023,279)	(11.00)	65,023,754
Auditor	11,217,468	118,338	0	118,338	0.00	11,335,806
Cultural Resources	63,008,100	(556,787)	0	(556,787)	(13.00)	62,451,313
Cultural Resources - Roanoke Island	450,000	(9,000)	0	(9,000)	0.00	441,000
General Assembly	51,634,767	705,474	(750,000)	(44,526)	0.00	51,590,241
Governor	7,172,132	(50,798)	0	(50,798)	0.00	7,121,334
Housing Finance Agency	8,411,632	(169,678)	10,000,000	9,830,322	0.00	18,241,954
Insurance	38,003,624	(399,128)	0	(399,128)	(7.80)	37,604,496
Lieutenant Governor	675,089	(5,629)	0	(5,629)	0.00	669,460
Office of Administrative Hearings	5,027,130	24,521	0	24,521	0.00	5,051,651
Revenue	80,896,458	(1,772,532)	2,500,000	727,468	(10.00)	81,623,926
Secretary of State	11,575,183	(22,720)	0	(22,720)	(5.00)	11,552,463
State Board of Elections	5,693,244	(55,410)	0	(55,410)	0.00	5,637,834
State Budget and Management	7,534,217	(71,259)	0	(71,259)	(1.00)	7,462,958
State Budget and Management -- Special	1,520,000	0	175,000	175,000	0.00	1,695,000
State Controller	28,710,691	(516,705)	2,117,205	1,600,500	(4.75)	30,311,191
Treasurer - Operations	7,026,305	1,897,200	62,328	1,959,528	12.00	8,985,833
Fire, Rescue, & National Guard Pension & LDD Benefits	23,179,042	(2,474,496)	0	(2,474,496)	0.00	20,704,546
Total General Government	418,782,115	(5,381,888)	14,104,533	8,722,645	(40.55)	427,504,760
Statewide Reserves and Debt Service:						
Debt Service:						
Interest / Redemption	723,721,279	(8,240,916)	0	(8,240,916)	0.00	715,480,363
Federal Reimbursement	1,616,380	0	0	0	0.00	1,616,380
Subtotal Debt Service	725,337,659	(8,240,916)	0	(8,240,916)	0.00	717,096,743

Summary of General Fund Appropriations

Fiscal Year 2014-15

2014 Legislative Session

	Enacted Budget 2014-15	Recurring Adjustments	Legislative Adjustments		FTE Changes	Revised Appropriation 2014-15
			Nonrecurring Adjustments	Net Changes		
Statewide Reserves:						
Salary Adjustment Reserve	7,500,000	0	0	0	0.00	7,500,000
State Health Plan Contribution	89,000,000	(22,000,000)	0	(22,000,000)	0.00	67,000,000
State Retirement System Contributions	36,000,000	0	0	0	0.00	36,000,000
Reserve for Future Benefit Needs	56,400,000	(56,400,000)	0	(56,400,000)	0.00	0
Judicial Retirement System Contributions	1,000,000	0	0	0	0.00	1,000,000
Firemen's and Rescue Squad Workers' Pension Fund	(820,000)	0	0	0	0.00	(820,000)
Information Technology Fund	10,470,657	2,493,162	3,510,000	6,003,162	0.00	16,473,819
Information Technology Reserve Fund	31,582,485	(2,043,607)	(9,617,485)	(11,661,092)	0.00	19,921,393
NC Government Efficiency and Reform Project	2,000,000	0	0	0	0.00	2,000,000
One North Carolina Fund	9,000,000	0	(7,144,263)	(7,144,263)	0.00	1,855,737
Unemployment Insurance (UI) Reserve	13,600,000	0	0	0	0.00	13,600,000
Reserve for Voter ID	1,000,000	0	0	0	0.00	1,000,000
Contingency and Emergency Fund	5,000,000	0	0	0	0.00	5,000,000
Reserve for Pending Legislation	4,500,000	0	0	0	0.00	4,500,000
Disability Income Plan	0	(3,200,000)	0	(3,200,000)	0.00	(3,200,000)
Job Development Investment Grants (JDIG)	63,045,357	0	(15,571,684)	(15,571,684)	0.00	47,473,673
Subtotal Statewide Reserves	329,278,499	(81,150,445)	(28,823,432)	(109,973,877)	0.00	219,304,622
Total Reserves and Debt Service	1,054,616,158	(89,391,361)	(28,823,432)	(118,214,793)	0.00	936,401,365
Total General Fund for Operations	20,990,378,208	38,777,425	108,219,081	146,996,506	(574.15)	21,137,374,714
Capital Improvements						
National Guard Projects	3,250,000	0	0	0	0.00	3,250,000
Samarkand Training Facility	5,173,000	0	0	0	0.00	5,173,000
McGough Arena Roof Repair	0	0	2,000,000	2,000,000	0.00	2,000,000
USS North Carolina Battleship	0	0	3,000,000	3,000,000	0.00	3,000,000
Water Resources Development Projects	0	0	5,810,000	5,810,000	0.00	5,810,000
Outer Banks Land Management Reserve	0	0	3,000,000	3,000,000	0.00	3,000,000
Museum of History Expansion	0	0	1,000,000	1,000,000	0.00	1,000,000
Total Capital Improvements	8,423,000	0	14,810,000	14,810,000	0.00	23,233,000
Total General Fund Budget	20,998,801,208	38,777,425	123,029,081	161,806,506	(574.15)	21,160,607,714

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EDUCATION
Section F

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Public Education

GENERAL FUND

Total Budget Enacted 2013 Session

FY 14-15
\$8,046,101,622

Legislative Changes

A. Reserve for Salaries & Benefits

- | | |
|--|---|
| <p>1 Compensation Increase Reserve - Educators</p> <p>Provides funds for the new 21-step Professional Status Teacher Salary Schedule as well as an experience-based step for educators opting into this new schedule. It increases the Statewide guaranteed minimum starting educator pay to \$33,000 annually. Assuming that all educators opt into the Professional Status Schedule, local supplement amounts remain unchanged, there is no turnover, and there are no changes to educators' education attainment or certifications, this schedule provides, on average, an 11% salary increase. Under this comparison, average educator salary from all fund sources would increase to over \$51,000.</p> <p>For individuals at the top of the new salary schedule, funds are provided for a 1% salary bonus. Two corresponding provisions in the Salaries and Benefits section of the bill provide additional information on this item.</p> | <p>\$465,317,000 R
\$3,410,000 NR</p> |
| <p>2 Compensation Increase Reserve - School-based Administrators</p> <p>Provides funds for salary schedule changes and an experience-based step for all step-eligible school-based administrators. In addition, funds are provided for a nonrecurring salaries and benefits bonus of \$1,000 (\$809 bonus) for all school-based administrators who do not receive a salary increase on this schedule. A corresponding provision in the Salaries and Benefits section of the bill provides additional information on this item.</p> | <p>\$5,818,632 R
\$133,410 NR</p> |
| <p>3 Compensation Increase Reserve - Non-certified and Central Office Staff</p> <p>Provides a \$618 recurring salary and benefit increase (\$500 salary increase) for permanent full-time non-certified and central office staff.</p> | <p>\$32,635,439 R</p> |
| <p>4 Compensation Increase Reserve - Department of Public Instruction (DPI)</p> <p>Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees located administratively under the State Board of Education.</p> | <p>\$891,973 R</p> |

5 State Retirement System Contributions - School District Personnel \$21,514,025 R
 Increases the State’s contribution to the Teachers’ and State Employees’ Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million.

6 State Retirement System Contributions - DPI \$183,857 R
 Increases the State’s contribution to the Teachers’ and State Employees’ Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million.

B. Technical Adjustments

7 Average Daily Membership (ADM) (Multiple Fund Codes) (\$37,453,734) R
 Revises projected ADM for FY 2014-15 to reflect 6,286 fewer students than originally projected. The adjustment includes revisions to all position, dollar, and categorical allotments.

Total allotted ADM for FY 2014-15 is 1,520,305, an increase of 10,320 students over FY 2013-14.

8 Average Certified Personnel Salaries (Multiple Fund Codes) (\$64,923,926) R
 Revises budgeted funding for certified personnel salaries based on actual salary data from December 2013. The adjustment does not reduce any salary paid to certified personnel, nor does it reduce the number of guaranteed State-funded teachers, administrators, or instructional support personnel.

9 Education Lottery Receipts (1800) (\$56,298,342) R
 Adjusts the receipts budgeted for the Classroom Teachers allotment to reflect an updated distribution between the four Lottery programs. This adjustment does not impact the combined total funding from Lottery and General Fund sources available for the Classroom Teachers allotment.

C. Public School Funding Adjustments

10 Excellent Public Schools Act (Multiple Fund Codes) \$6,015,859 R
 Provides additional funds to the Department of Public Instruction to carry out elements of the Excellent Public Schools Act contained in Section 7A.1 and Section 7A.7 of S.L. 2012-142. DPI will have \$38.0 million available to implement these requirements.

- | | | |
|--|-----------------|---|
| 11 Classroom Teachers (1800) | (\$43,362,064) | R |
| <p>Revises adjustment made in the 2013 budget to reduce the classroom teachers allocations in Grades 2 and 3 from 1 teacher per 18 students to 1 teacher per 17 students. This adjustment will forego an additional 788 new teaching positions budgeted to be added in FY 2014-15. FY 2014-15 classroom teacher allocations and class size requirements will remain the same as they are in FY 2013-14. \$3.72 billion remains in the budget for this allotment.</p> | | |
| 12 Excellent Public Schools Act - Five Extra Days (Multiple Fund Codes) | (\$391,637) | R |
| <p>Eliminates funding that had been provided to support a requirement that local education agencies (LEAs) provide additional instructional days (S.L. 2011-145, Section 7.29). A subsequent amendment to G.S. 115C-84.2.(a).(1) eliminated this mandate. Funding had previously supported \$40,168 for additional costs related to substitute teachers and \$351,469 for additional costs related to student transportation.</p> | | |
| 13 Education-Based Salary Supplements Restoration (1800) | \$18,700,000 | R |
| <p>Provides additional funding necessary to restore education-based salary supplements for master's, advanced or doctoral degrees for certain personnel, as directed in a corresponding special provision.</p> | | |
| 14 School Bus Replacement (1830) | (\$3,369,983) | R |
| <p>Reduces this allotment supporting the purchase of replacement school buses to reflect lower-than-expected bus prices and departmental operational efficiencies. This reduction does not reduce the number of replacement buses to be purchased in FY 2014-15. \$46.2 million remains in this allotment to support the purchase of 579 replacement buses in FY 2014-15.</p> | | |
| 15 Teacher Assistants (1800) | (\$233,182,240) | R |
| <p>Reduces funding for teacher assistants and modifies the basis for funding in this allotment. For FY 2014-15, this allotment will provide \$971.75 per student in ADM in grades K-1. Previously, this allotment had provided funding on the basis of ADM in grades K-3. LEAs may continue to place teacher assistants in any K-3 classroom with these funds. \$240.2 million will remain in this allotment in FY 2014-15.</p> | | |

Senate Subcommittee on Education

FY 14-15

16 Central Office Administration (1810)

(\$4,795,567) R

Reduces the allotment to LEAs for the salaries and benefits of central office staff by 5%. This staff includes, but is not limited to, superintendents, associate and assistant superintendents, finance officers, athletic trainers, and transportation directors. \$91.1 million will remain to support these local staff in FY 2014-15.

17 Transportation (1830)

(\$28,608,891) R

Reduces by 6% the total support for the allotment, which supports the salaries of transportation personnel, the maintenance of yellow buses, and support for the Driver Training program, which will now be distributed via this allotment. A corresponding provision redirects a transfer from the Highway Fund for Driver Training into this allotment. This transfer will only occur in FY 2014-15, as it is repealed beginning in July 1, 2015 in a corresponding provision. Combined General Fund and receipt support for this allotment will be \$448.0 million in FY 2014-15.

18 Small County Supplemental Funding (1800)

\$3,581,140 R

Revises the funding formula to provide differentiated funding based on the size of eligible districts as directed in a corresponding special provision. \$46.3 million will be available for this allotment in FY 2014-15.

19 Panic Alarms (1830)

(\$1,100,000) R

Reduces available funding for this program to reflect FY 2013-14 actual expenditures. \$900,000 will be available for awards in FY 2014-15, slightly more than the amount awarded in FY 2013-14.

D. Department of Public Instruction

20 DPI Flexible Reduction (Multiple Fund Codes)

(\$15,078,150) R

Reduces State support for DPI by 30%. The State Board of Education may allocate this reduction at its discretion, within the guidelines mandated by a corresponding provision.

E. Grants

21 Teaching Fellows (1900)

(\$3,095,000) R

Eliminates the General Fund appropriation supporting the Teaching Fellows. Obligations to previous Fellows classes will continue to be supported from funds available in the Teaching Fellows Trust Fund. The Teaching Fellows Trust Fund has a cash balance of \$4.7 million as of April 30, 2014.

A related special provision charges the State Education Assistance Authority with the responsibility for the program's financial closeout.

Total Legislative Changes	\$62,998,391	R
	\$3,543,410	NR
Total Position Changes		
Revised Budget	\$8,112,643,423	

Community Colleges

GENERAL FUND

Total Budget Enacted 2013 Session

FY 14-15

\$1,016,487,467

Legislative Changes

A. Reserve for Salaries & Benefits

22 Compensation Increase Reserve - Community Colleges	\$18,397,754	R
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Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees.

23 State Retirement System Contributions - Community Colleges	\$3,544,341	R
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Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million.

24 Compensation Increase Reserve - System Office	\$163,791	R
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Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees.

25 State Retirement System Contributions - System Office	\$44,783	R
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Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million.

B. Technical and Formula Changes

26 Enrollment Growth Adjustment	(\$17,199,053)	R
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Adjusts funds for FY 2014-15 based on the estimated decline in community college enrollment.

The Community College system saw its enrollment decline by 2.5% (or 6,156 FTE) from the budgeted amount in the 2013-14 certified budget for a savings of \$17.2 million.

27 Closing the Skills Gap

\$16,199,053 R

Directs the System Office to create a fourth tier in its enrollment funding formula. The tier will be funded at a higher rate than the current highest tier. The new tier shall include health care and technical educational programs that train North Carolinians for jobs that have documented skills gaps and that pay higher wages.

28 Transfer to Commerce to Offset Apprenticeship Fees (1622)

(\$300,000) NR

Transfers \$300,000 from the Customized Industry Training Program to the Department of Commerce for the Apprenticeship and Training Bureau's Registered Apprenticeship program, which helps workers learn new specialized skills needed in the workforce.

The Department of Commerce is directed to use the funds to offset fee revenue lost when apprenticeship fees assessed under G.S. 94-12 are waived.

C. Financial Aid Changes

29 Yellow Ribbon G.I. Education Enhancement Program (1900)

\$1,000,000 R

Funds financial aid for eligible veterans and dependents attending North Carolina community colleges by providing State dollars to leverage federal matching funds via the Yellow Ribbon program.

The Yellow Ribbon Program provides a direct match of school funds to offset the gap for veterans between non-resident tuition rates and the Post -9/11 G.I. Bill, which pays only up to the resident tuition rate. Funds provided in FY 2014-15 are intended for academic year 2015-16 but may be awarded and disbursed in spring 2015.

There is a corresponding special provision for this item.

D. Other Changes

30 Audit Services (1300)

\$551,572 R

Restores recurring funding for the System Office's Audit Services division, which was made non-recurring by S.L. 2013-360. There is a corresponding special provision for this item.

(\$551,572) NR

31 Manufacturing Solutions Center (1624)

\$150,000 R

Provides additional funding for the Manufacturing Solutions Center at Catawba Valley Community College. Annual funding for this program will be \$846,922.

Senate Subcommittee on Education

FY 14-15

32 Textile Technology Center (1624)

\$150,000 R

Provides additional funding for the Textile Technology Center at Gaston College. Annual funding for this program will be \$653,954.

Total Legislative Changes

\$23,002,241 R

Total Position Changes

(\$851,572) NR

Revised Budget

\$1,038,638,136

UNC System

GENERAL FUND

Total Budget Enacted 2013 Session

FY 14-15
\$2,599,901,709

Legislative Changes

A. Reserve for Salaries & Benefits

- | | | |
|---|---------------------|----------|
| <p>33 Compensation Increase Reserve</p> <p>Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time SPA employees.</p> | <p>\$14,307,259</p> | <p>R</p> |
| <p>34 State Retirement System Contributions</p> <p>Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million.</p> | <p>\$4,384,565</p> | <p>R</p> |

B. Financial Aid Changes

- | | | |
|---|----------------------|-----------|
| <p>35 Yellow Ribbon G.I. Education Enhancement Program</p> <p>Funds financial aid for eligible veterans and dependents attending the University of North Carolina by providing State dollars to leverage federal matching funds via the Yellow Ribbon program.</p> <p>The Yellow Ribbon Program provides a direct match of school funds to offset the gap for veterans between non-resident tuition rates and the Post -9/11 G.I. Bill, which pays only up to the resident tuition rate. Funds provided in FY 2014-15 are intended for academic year 2015-16 but may be awarded and disbursed in spring 2015.</p> <p>There is a corresponding special provision for this item.</p> | <p>\$4,863,276</p> | <p>R</p> |
| <p>36 NC Need-based Scholarship (16015; 124T)</p> <p>Reduces funding for the NC Need-based Scholarship program for private college students by 2.3%. Total program funding for FY 2014-15 will be \$84,351,588.</p> | <p>(\$2,000,000)</p> | <p>NR</p> |

B. Technical and Formula Changes

- | | | |
|---|---------------|---|
| 37 Enrollment Funding Adjustment | (\$1,773,018) | R |
| <p>Reduces budgeted enrollment to match revised projections. The FY 2014-15 budget includes \$26.7 million of State appropriation for enrollment growth at the UNC System but only requires \$24.9 million based on refined enrollment estimates.</p> | | |
| 38 Enrollment Growth Model Change | (\$5,326,425) | R |
| <p>Directs UNC General Administration to revise the Enrollment Growth Funding Model for general institutional support. The current model contains an adjustment factor to limit budget cuts to institutional support lines when enrollment declines. UNC is directed to remove this factor from its model and to reduce campus budgets accordingly.</p> | | |
| 39 Building Reserves (16011; 1260) | (\$922,599) | R |
| <p>Reduces funding in reserves for new facilities due to delays in completion dates.</p> | | |
| 40 Teacher Preparation Programs through Distance Education | (\$1,801,861) | R |
| <p>Eliminates funding for the Teacher Preparation Distance Education Reserve. Funding for distance education teacher preparation was originally provided by the 2001 Appropriations Act (S.L. 2001-424, Sec. 31.7); since that time, these programs have also been added to the enrollment growth funding formula.</p> | | |

C. Other Changes

- | | | |
|---|-------------|----|
| 41 NCSU Next Generation Power Electronics Innovation Institute | \$2,000,000 | NR |
| <p>Provides State matching funds for a federal initiative to establish a regional and national Wide Bandgap Institute at NCSU. This Institute will be part of the U.S. Department of Energy's National Network for Manufacturing Innovation for Wide Bandgap Semiconductors for Power Electronic Devices. The State match represents the first installment of a total \$10 million State pledge, and NCSU shall only use these funds to provide the required State match for the federal grant.</p> | | |

42 UNCG Public Private Partnership

Provides funds to support Union Square Inc. a non-profit entity formed to create a public private partnership in downtown Greensboro to build a \$37 million, 100,000 square-foot facility to focus on health care education. The space will house expansion of the UNC Greensboro and Guilford Tech Community College nursing programs and training facilities for Cone Health. The building will include office space, laboratory space, and health care education space.

\$2,000,000 NR

43 Appalachian State University Health Sciences Building

Funds advance planning for Appalachian State University's College of Nursing and Health Sciences Building. The 200,000 sq. ft. facility will be constructed in association with the Watauga Medical Center. This project received \$2 million in non-recurring planning funds in FY 2013-14; the project's total cost is estimated to be \$80.2 million.

\$2,000,000 NR

44 NCSU Food Processing

Provides \$250,000 in nonrecurring funding to the College of Agriculture and Life Sciences at NC State University to support the development of the Department's food processing initiative. The University of North Carolina may not collect Facilities and Administrative expenses from these funds. Funding is reflected in the Natural and Economic Resources section of this document.

45 NCSU Plant Science Initiative

Provides \$350,000 in nonrecurring funding to the College of Agriculture and Life Sciences at NC State University to support the development of the Department's plant science initiative. The University of North Carolina may not collect Facilities and Administrative expenses from these funds. Funding is reflected in the Natural and Economic Resources section of this document.

Total Legislative Changes

\$13,731,197 R

Total Position Changes

\$3,920,862 NR

Revised Budget\$2,617,553,768

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**HEALTH
&
HUMAN SERVICES
Section G**

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Health and Human Services

GENERAL FUND

Total Budget Enacted 2013 Session	FY 14-15
	\$76,301,328

Legislative Changes

(1.0) Division of Central Management and Support

- | | | |
|--|-----------------------|----------|
| <p>1 Compensation Increase Reserve Department-Wide
 Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees department-wide.</p> | <p>\$6,011,140</p> | <p>R</p> |
| <p>2 State Retirement System Contributions Department-Wide
 Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment department-wide to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million.</p> | <p>\$1,135,828</p> | <p>R</p> |
| <p>3 Contracts and Vacant Positions Department-Wide (1119)
 Reduces funds for vacant positions and contracts across the department. The Department has the flexibility to achieve this reduction through the elimination of vacant positions and elimination or reduction of contract costs.</p> | <p>(\$16,000,000)</p> | <p>R</p> |
| <p>4 Maintenance - Cost Allocation (1120)
 Allocates allowable federal funds for maintenance expenses in the Division of Child Development and Early Education.</p> | <p>(\$120,000)</p> | <p>R</p> |
| <p>5 NC TRACKS (2413,1122)
 Provides funding for continued system development by using prior-year earned revenue in the non-recurring amount of \$5,223,975 in FY 2014-15. The total FY 2014-15 budget for development costs is \$10.7 million and the budget for ongoing operations and maintenance is an additional \$10.7 million.</p> | <p>\$0</p> | <p>R</p> |

6 NC FAST (2411)	\$0	R
<p>Provides funding to support the continued development and implementation of the Eligibility Information System for the Child Care, Low Income Energy Assistance and Crisis Intervention Programs, and Federally-Facilitated Exchange Interoperability. The funding will be provided from prior-year earned revenue in the nonrecurring amount of \$4,138,002 in FY 2014-15. These projects are funded with 90% federal funds until December 31, 2015. The FY 2014-15 total budget for this project is \$55.6 million.</p>		
7 Competitive Block Grant Transfers (1910)	(\$600,223)	R
<p>Transfers funds from the competitive block grant to the appropriate Divisions. Funds for maternity homes are transferred to the Division of Social Services in the amount of \$375,000. Funds for traumatic brain injury are transferred to the Division of Mental Health, Developmental Disability Services and Substance Abuse Services in the amount of \$225,223. Combined with item 8, the competitive block grant is reduced by 2.4% to \$9,303,911 recurring.</p>		
8 Competitive Block Grant Additional Funds (1910)	\$375,000	R
<p>Provides recurring funds to increase the competitive block grant. Designates \$375,000 in FY 2014-15 for the Big Brothers Big Sisters of the Triangle, Inc. In FY 2015-16 the scope of the competitive block grant is expanded to allow for this organization to apply for funding. Combined with item 7 the competitive block grant is reduced by 2.4% to \$9,303,911 recurring.</p>		
9 Actuary Positions (1120)	\$170,000	R
<p>Creates two actuary positions in the Office of the Secretary for the Medicaid Program. The total cost of the positions is \$340,000. Federal Medicaid receipts will be used to cover 50% of the total cost.</p>		
10 Health Information Exchange (1910)	\$4,000,000	R
<p>Provides State matching funds to support the Health Information Exchange.</p>		

Total Legislative Changes	(\$5,028,255)	R
Total Position Changes	1.00	
Revised Budget	\$71,273,073	

Senate Subcommittee on Health and Human Services

Health and Human Services

GENERAL FUND

	FY 14-15
Total Budget Enacted 2013 Session	\$54,342,341

Legislative Changes

(2.0) Division of Aging and Adult Services

11 Home Care and Community Block Grant Reduction (1370,1451)	(\$969,549)	R
Reduces General Fund appropriation for the Home Care and Community Block Grant (HCCBG) by 3%, leaving a balance of \$31,808,889.		

Total Legislative Changes	(\$969,549)	R
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Total Position Changes

Revised Budget	\$53,372,792
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Health and Human Services

GENERAL FUND

Total Budget Enacted 2013 Session

FY 14-15
\$254,314,609

Legislative Changes

(3.0) Division of Child Development and Early Education

12 TANF Funds for PreK (1330)

Replaces General Fund appropriation for the PreK program with Temporary Assistance for Needy Families block grant funds on a nonrecurring basis. Combined with item 19, there is a decrease of 3.3% in General Fund appropriation to \$62.8 million and a 3.6% increase in total funding for PreK.

(\$7,195,807) NR

13 Administrative Savings due to Efficiencies and Cost Allocation

Reduces General Fund appropriation budgeting overrealized receipts, and replacing General Fund appropriation with Child Care and Development Fund for Child Care Regulation. Additionally the Division's administrative costs have been reduced due to the move to the Dorothea Dix campus, including the elimination of one position.

(\$1,893,496) R

-1.00

#60038615 - Administrative Asst. II - \$37,659

14 Child Care Subsidy Block Grant Swap Out (1380)

Replaces General Fund appropriation for the Child Care Subsidy program with Child Care Development Fund and Temporary Assistance For Needy Families Emergency Contingency block grant funds on a nonrecurring basis. Both block grants have increased availability for FY 2014-15. Combined with items 15, 16, 17 and 18, General Fund appropriation is reduced by 22% to \$49.7 million due to the replacement of State funds with federal funding. Total funding for Child Care Subsidy is unchanged.

(\$13,982,425) NR

15 Child Care Subsidy Eligibility Changes (1380)

(\$11,000,000) R

Changes eligibility for Child Care Subsidy from 75% of State Median Income to 200% of Federal Poverty Level (FPL) for children age 0-5 and children with special needs. Children who are age 6-12 are eligible at 133% of FPL. This change is effective September 1, 2014. This change in eligibility reduces funding needs by \$22 million; half of these funds, \$11 million, will be used to reduce the waiting list by 2,300 eligible children. Combined with items 14, 16, 17, and 18, General Fund appropriation is reduced by 22% to \$49.7 million due to the replacement of State funds with federal funding in item 14. Total funding for Child Care Subsidy is unchanged.

16 Child Care Subsidy Co-Payments Set at 10% of Income (1380)

(\$1,812,687) R

Sets co-payments at 10% of income for all households that are required to pay a co-payment effective September 1, 2014. This does not change who pays a co-payment; children receiving child care subsidy through Child Welfare, Child Protective Services and Foster Care will continue to be exempt from the co-payment requirement. This reduction does not change the slot availability for child care subsidy as the amount paid by the Child Care Subsidy Program will be reduced due to the increased co-payment. The co-payment is paid to the child care provider. There were 40,000 children whose families paid a co-payment based on 8% or 9% of their family income out of 110,000 children whose families paid a co-payment in FY 2012-13. Combined with items 14, 15, 17, and 18 General Fund appropriation is reduced by 22% to \$49.7 million due to the replacement of state funds with federal funding in item 14. Total funding for Child Care Subsidy is unchanged.

17 Child Care Subsidy Co-Payment No Longer Prorated for Part-time Care (1380)

(\$2,359,965) R

Eliminates the proration of co-payments for part-time care effective September 1, 2014. This reduction does not result in any loss of child care slots. The increased co-payment will reduce the amount paid to child care providers by the Child Care Subsidy program. Providers collect the co-payment from the parents. There were 26,000 children whose families paid a reduced co-payment due to part-time care out of 110,000 children whose families paid a co-payment in FY 2012-13. Combined with items 14, 15, 16, and 18, General Fund appropriation is reduced by 22% to \$49.7 million due to the replacement of State funds with federal funding in item 14. Total funding for Child Care Subsidy is unchanged.

Senate Subcommittee on Health and Human Services

FY 14-15

18 Child Care Subsidy Waiting List (1380)

\$15,172,652 R

Provides funding to reduce the Child Care Subsidy waiting list by an estimated 3,200 children. Combined with items 14, 15, 16, and 17, General Fund appropriation is reduced by 22% to \$49.7 million due to the replacement of State funds with federal funding in item 14. Total funding for Child Care Subsidy is unchanged.

19 PreK Expansion (1330)

\$5,040,000 NR

Provides funds for 1,000 additional PreK slots to serve at-risk 4 year olds in the PreK program. Combined with item 12 which replaces General Fund appropriation with federal block grant funds, there is a decrease of 3.3% in General Fund appropriation to \$62.8 million and a 3.6% increase in total funding for PreK.

Total Legislative Changes	(\$1,893,496)	R
	(\$16,138,232)	NR
Total Position Changes		-1.00
Revised Budget	\$236,282,881	

Health and Human Services

GENERAL FUND

Total Budget Enacted 2013 Session

FY 14-15
\$176,558,432

Legislative Changes

(4.0) Division of Social Services

- | | | |
|--|---------------|---|
| 20 State/County Special Assistance Caseloads (1570) | (\$4,215,542) | R |
| Reduces funding for State/County Special Assistance (SA) due to decreasing caseloads. The reduced funding has no impact on assistance for eligible recipients. Combined with item 21, reduces General Fund appropriation for SA by 7.2%, leaving \$65.2 million recurring. | | |
| 21 State County Special Assistance Income Eligibility (1570) | (\$807,864) | R |
| Changes the income eligibility for the State/County Special Assistance Program from a method that bases income eligibility on the payment rate for the facility type where the recipient resides, to a method based on the federal poverty level for all recipients regardless of where they reside. The SA eligibility level is set at 100% of the Federal Poverty Level. Current recipients of SA are grandfathered in and will continue to receive SA. Combined with item 20, the General Fund appropriation for SA is reduced by 7.2%, leaving \$65.2 million recurring. | | |
| 22 State Funding for County Medicaid Administration Eliminated (1376) | (\$1,682,806) | R |
| Eliminates funding provided to local departments of social services to offset counties' cost for Medicaid enrollment. The federal match rate is increasing from 50% to 75% for eligibility determination for Medicaid, therefore counties will receive additional federal funds for this activity. | | |
| 23 Adult Care Home Case Management (1453) | (\$856,058) | R |
| Eliminates funding for the Adult Care Home Case Management Service (ACHCM) which ended in June 2013. This service provided funding for county departments of social services workers to perform the assessment and case management for individuals in adult care homes and licensed family homes who were heavy need residents. The Personal Care Services (PCS) Program now uses an independent assessment to determine eligibility for PCS and therefore the Case Management Service is no longer needed. | | |

- | | | |
|---|------------------------------|-----------|
| <p>24 County Child Protective Services Caseloads (1430)
 Provides funding to replace \$4.5 million in federal block grant funds utilized to pay for Child Protective Services (CPS) workers that counties lost in FY 2013-14 and provides additional funding to reduce county departments of social services caseloads to an average of 10 families per worker performing Child Protective Services assessments. Combined with items 25 and 26, the General Fund appropriation for Child Protective Services is increased by 101% to \$27 million.</p> | <p>\$8,326,627</p> | <p>R</p> |
| <p>25 Enhance Oversight of County Child Welfare Services (1430)
 Provides funding for nine positions to enhance oversight of child welfare services in local county departments of social services. These positions will monitor, train, and provide technical assistance to the local county departments of social services to ensure children and families are provided services to address safety, permanency and the well-being of children who are served by child welfare services. The funds will increase Division of Social Services staffing for Child Protective Services to 28 positions, an increase of 47%. Combined with items 24 and 26, this General Fund appropriation for Child Protective Services is increased by 101% to \$27 million.</p> | <p>\$750,000</p> <p>9.00</p> | <p>R</p> |
| <p>26 Child Welfare In-Home Services Expansion (1430)
 Increases General Fund appropriation for Child Welfare In-Home Services. In-Home Services are provided to maintain the safety of the child while helping the parent/caretaker learn more effective parenting practices. In-Home Services provide, arrange for, and coordinate interventions and services, as needed that focus on child safety and protection, family preservation, and the prevention of further abuse or neglect. Combined with items 24 and 25, the General Fund appropriation for Child Protective Services is increased by 101% to \$27 million.</p> | <p>\$4,500,000</p> | <p>R</p> |
| <p>27 Child Protective Services Statewide Evaluation (1430)
 Provides funding for an independent, statewide evaluation of Child Protective Services at local departments of social service and the Department of Health and Human Services. The evaluation will assess performance, caseload sizes, administrative structure, funding and worker turnover and include recommendations on improving Child Protective Services.</p> | <p>\$700,000</p> | <p>NR</p> |

28 Child Protective Services Pilot Program (1430)

Provides funding to develop and implement a pilot program designed to enhance coordination of services and information among agencies to improve the protection and outcomes for vulnerable children served through Child Welfare Services. The agencies included in the pilot are local county departments of social services, local law enforcement, the court system, Guardian Ad Litem programs and other agencies as determined appropriate by the Department of Health and Human Services.

\$300,000 NR

29 Foster Care Assistance Payments (1532)

Provides funding for Foster Care Assistance Payments due to increasing caseloads. Caseloads increased by 9% from March 2013 to March 2014 and are projected to continue to grow. General Fund appropriation is increased by 18% to a total of \$32.2 million.

\$5,000,000 R

30 State Maternity Home Fund (1110)

Transfers General Fund Appropriation from the Competitive Block grant in the Division of Central Management to the State Maternity Home Fund in the Division of Social Services. Maternity Homes are removed from the competitive block grant. Individuals experiencing an unplanned pregnancy apply to receive funding from the State Maternity Home fund. Once the individual is determined eligible, the payment goes to the appropriate Maternity Home. There is no change in funding for the State Maternity Home Fund.

\$375,000 R

Total Legislative Changes	\$11,389,357	R
	\$1,000,000	NR
Total Position Changes		9.00
Revised Budget	\$188,947,789	

Health and Human Services

GENERAL FUND

	FY 14-15
Total Budget Enacted 2013 Session	\$141,941,587

Legislative Changes

(5.0) Division of Public Health

31 ADAP - AIDS Drug Assistance Program (1460)

Funds ADAP at the full service level. Increased FY 2013-14 pharmaceutical rebates and other federal receipts will be carried forward into FY 2014-15 and will allow the program to serve all eligible persons up to 300% of the Federal Poverty Level. FY 2014-15 funding is reduced by 8%, with \$68.8 million remaining for aid and public assistance. (\$5,782,163) NR

32 Incubation Project (1161)

Eliminates General Fund support for the North Carolina Public Health Incubator Collaborative. Funds are used to support a contract with the UNC Institute of Public Health. The contract will be discontinued, but regional health department collaboratives will continue to develop and disseminate best practices. (\$100,000) R

33 Vector Control Program (1153)

Terminates the Vector Control Program, which provided small grants to a limited number of counties for mosquito control. (\$185,992) R

34 Child and Family Support Team (1332)

Eliminates funding for the Child and Family Support Team. Funds were originally provided as start-up funding to support schools participating in the Child and Family Support Team program. The school-based program is now fully implemented, and start-up resources are no longer needed. Two positions are eliminated effective July 1, 2014. (\$251,788) R

#60037795 - Program Development Coordinator - \$66,173
 #60037797 - Administrative Asst I - \$44,648

-2.00

- 35 School Nurse Funding Initiative (SNFI) (1332)** (\$3,487,500) R

Reduces funding (29%) to local education authorities (LEAs) to eliminate 70 school nurse positions and reallocates the remaining 166 SNFI-funded school nurse positions to Tier 1 counties only. As a result, the number of SNFI-funded nurses in the 35 Tier 1 counties will increase to the recommended school nurse-to-student ratio of 1:750 or less. \$8.7 million remains in the FY 2014-15 SNFI budget.
- 36 Operational Efficiencies (1110, 1171, 1261, 1441)** (\$298,275) R

Reduces operating funds for the Purchase of Medical Care Unit, State Center for Health Statistics, and the Early Intervention, Physical Activity and Nutrition, and Chronic Disease and Prevention Units. Five positions are eliminated effective July 1, 2014. -5.00

#60041103 - Office Assistant IV - \$35,891
 #60088935 - Processing Asst V - \$36,931
 #60041452 - Administrative Asst I - \$51,304
 #60041171 - Nutrition Program Supervisor - \$55,808
 #60040661 - Business Officer - \$50,200
- 37 Public Health Program Adjustments (1271, 1332)** (\$337,325) R

Eliminates residual funds for Purchase of Medical Care, Early Hearing Detection and Intervention, and Tobacco Prevention and Control programs. The budgets are being modified to actual or anticipated spending levels, with no reduction to public service.

Fund Code 1271: Purchase of Medical Care - (\$142,325)
 Fund Code 1332: Early Hearing Detection and Prevention - (\$131,000)
 Fund Code 1271: Tobacco Prevention and Control - (\$64,000)
- 38 Vital Records (1173)** \$350,000 R

Provides \$350,000 recurring for the Vital Records Automation Fund, increasing the projected FY 2014-15 budget to \$1,041,024. The funds will be used to modify and enhance the Electronic Birth Records System, to update Vital Records' system equipment and software, and for continuing information technology system maintenance.
- 39 Office of Chief Medical Examiner (1172)** \$1,000,000 R

Provides funding to address operational issues in the statewide medical examiner system. The expansion will increase the FY 2014-15 budget by 23% from \$4.4 million to \$5.4 million.

Senate Subcommittee on Health and Human Services

FY 14-15

40 On-Site Water Protection (1153)

(\$1,177,154) R

Transfers the On-Site Water Protection Unit to the Department of Environment and Natural Resources as a Type I transfer. Additional adjustments that are necessary due to legislative salary increases, retirement and medical adjustments, as well as receipt adjustments and transfers from special funds, may be implemented through a type 11 budget revision.

-14.00

41 Well Water Testing Fee (1174)

Budgets increased receipts from fees charged by the State Public Health Laboratory to analyze private well water samples. The fee charged to test samples from newly constructed wells will increase from \$55 to \$74, (35%) effective July 1, 2014. In addition, the Laboratory will be authorized to analyze water samples from existing private wells for a fee of \$74, effective July 1, 2014. The fee change will increase receipts to cover the costs of supplies used to analyze water samples.

Requirements	\$221,548
Receipts	\$221,548
Net Appropriation	\$0

Total Legislative Changes	(\$4,488,034)	R
	(\$5,782,163)	NR
Total Position Changes	-21.00	
Revised Budget	\$131,671,390	

Health and Human Services

GENERAL FUND

Total Budget Enacted 2013 Session

FY 14-15
\$704,985,988

Legislative Changes

(6.0) Division of Mental Health, Developmental Disabilities, and Substance Abuse Services

42 New Broughton Hospital Reserve (1910)

Eliminates reserve funds provided to purchase equipment, furniture, and information technology infrastructure for the new Broughton Hospital. S.L. 2013-360 appropriated the nonrecurring funds for the anticipated December 2014 opening of the new facility. Due to construction issues, the opening of the replacement facility is delayed until May 2016.

(\$16,598,589) NR

43 Claims Processing (1110)

Reduces funding by 47% to budget anticipated savings in contracted claims processing costs. In FY 2013-14, the Division began using the NC Tracks system to process community service claims and no longer uses private contractors for this purpose. \$2.7 million remains in the FY 2014-15 budget for contractual information technology services.

(\$2,400,000) R

44 Local Management Entity/Managed Care Organizations (1111)

Reduces the General Fund appropriation for Local Management Entity/Managed Care Organization (LME/MCO administrative cost allocations by 5.6%. Administrative cost savings will be achieved by merging the nine LME/MCOs operating in FY 2013-14 to seven or fewer by June 30, 2015. Approximately \$30 million remains in the FY 2014-15 budget for LME/MCO administration.

(\$1,800,000) R

Senate Subcommittee on Health and Human Services

FY 14-15

45 Central Office Administration (1110)	(\$448,876)	R
<p>Reduces the General Fund appropriation for the Division's central offices by 4.5%. Seven vacant positions are eliminated, effective July 1, 2014. Approximately \$9.5 million remains in the Division's FY 2014-15 central administration budget.</p>		
<p>#65006250, Quality Assurance Officer - \$70,840 #60043367, Mental Health Prgm Mgr I - \$59,962 #60043463, W/A Primary Care Systems Asso - \$49,171 #60043400, Processing Assistant V - \$48,979 #60043406, W/A Administrative Asst - \$29,856 #60043320, Administrative Off III - \$54,498 #60043328, Budget Manager - \$90,000</p>		
46 LME/MCO General Administration (1111)	(\$6,100,000)	R
<p>Eliminates funds held in reserve for LME/MCO risk management. As required by S.L. 2013-85, the Division has increased responsibilities related to monitoring LME/MCO administrative, operational, actuarial, and financial performance, eliminating the need to maintain a reserve fund.</p>		
47 Wright School (1546)	(\$2,709,912)	R
<p>Eliminates funding for the Wright School, effective July 1, 2014.</p>		
-38.66		
48 Brain Injury Association of North Carolina (1451)	\$225,223	R
<p>Continues General Fund appropriation for the Brain Injury Association of North Carolina contract. The association provides information, referral, and training services for persons with traumatic brain injury, their families, and health care professionals.</p>		

Total Legislative Changes	(\$13,233,565)	R
	(\$16,598,589)	NR
Total Position Changes	-45.66	
Revised Budget	\$675,153,834	

Senate Subcommittee on Health and Human Services

Health and Human Services

GENERAL FUND

FY 14-15

Total Budget Enacted 2013 Session

\$38,773,169

Legislative Changes

(7.0) Division of Vocational Rehabilitation

49 Operational Efficiencies (1110, 1452, 1480)

(\$575,336) R

Reduces General Fund appropriation to reflect savings achieved by reducing layers of management and administration. Effective July 1, 2014, 20.75 positions (11.95 full-time equivalents (FTEs) supported by the General Fund), are eliminated from Service Support, Employment Services, and Independent Living Services.

-11.95

Total Legislative Changes

(\$575,336) R

Total Position Changes

-11.95

Revised Budget

\$38,197,833

Health and Human Services

GENERAL FUND

Total Budget Enacted 2013 Session	FY 14-15
	\$16,411,479

Legislative Changes

(8.0) Division of Health Service Regulation

50 Cost Allocation for Construction Team Inspections (1153) (\$263,000) R

Allocates the cost for construction team inspections of adult care homes, family homes, and group homes to claim administrative match through Medicaid. The construction teams inspect facilities to ensure compliance with federal licensure standards. The inspection consists of external and internal evaluations, including living quarters, fire safety, electrical and plumbing equipment, to ensure homes and facilities are maintained in a safe living condition.

51 Health Care Personnel Registry Receipts (1110) (\$25,000) R

Budgets over-realized receipts for the Health Care Personnel Registry, a tool for monitoring unlicensed health care personnel. The registry lists nurses and medications aides who have met federal and State educational and competency requirements. Further, it lists unlicensed health care personnel who are being investigated for or have been found to have caused harm to a resident or facility. The cost of maintaining the registry is shared with Medicare. For FY 2012-13, actual expenditures totaled \$4.1 million. While budgeting the over-realized receipts (\$25,000) will result in a corresponding decrease in appropriation, the FY 2014-15 budget (requirements) of \$4.4 million is unchanged.

Total Legislative Changes	(\$288,000) R
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Total Position Changes

Revised Budget	\$16,123,479
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Health and Human Services

GENERAL FUND

FY 14-15

Total Budget Enacted 2013 Session

\$3,608,119,091

Legislative Changes

(9.0) Division of Medical Assistance

- | | |
|---|-------------------------|
| <p>52 Provider Assessments for Behavioral Health LME/MCO's (1310)</p> <p>Implements a 3.5% assessment on all Behavioral Health LME/MCO's effective July 1, 2014. The State will retain 65% of the total amount assessed to fund Medicaid services. The remaining 35% will be used to increase the capitation rates for the Local Management Entities/Managed Care Organizations (LME/MCO's). In FY 2012-13, Medicaid payments totaled \$1.4 billion to LME/MCOs. The FY 2013-14 budget is \$2.5 billion and is the first year where all LME/MCOs have been operational for the full year.</p> | <p>(\$59,555,995) R</p> |
| <p>53 Mental Health Drug Management (1310, 1331)</p> <p>Implements prior authorization of mental health drugs, effective January 1, 2015. This adjustment brings mental health drug policy in line with other drug classes that require prior authorization in the Medicaid program. This represents a 2% reduction in drug spending net of rebates, leaving an estimated budget in FY 2014-15 of \$737 million. The amount saved is net of the reduction in drug rebates.</p> | <p>(\$6,000,000) R</p> |
| <p>54 Automatic Eligibility for ABD/State County Special Assistance (1310)</p> <p>Eliminates the automatic Medicaid eligibility for Aged, Blind and Disabled/State County Special Assistance recipients effective January 1, 2015. This eligibility standard was established by North Carolina and is not mandated by the federal government. There are currently 11,886 individuals that have Medicaid eligibility as a result of this policy who will lose Medicaid coverage. In FY 2013-14 it is estimated that total spending on this eligibility group will be \$167.9 million. Of this amount, \$57.5 million are General Fund appropriations.</p> | <p>(\$28,750,000) R</p> |

- 55 Medically Needy Eligibility Standards (1310)** (\$3,563,134) R
 Eliminates eligibility for Medically Needy individuals in family and children and Aged, Blind and Disabled categories effective January 1, 2015. This eligibility group is optional and not mandated by Centers for Medicare and Medicaid Services (CMS). There are currently 3,342 individuals that have Medicaid coverage based on this policy. In FY 2013-14 it is estimated that total spending on this eligibility group will be \$20.8 million and \$7.1 million in General Fund appropriations.
- 56 Medsolutions Contract Renegotiation and Imaging Request for Proposal (1310)** (\$5,500,000) R
 Requires the department to renegotiate their imaging contract with Medsolutions to reduce capitation rates to achieve improved medical loss ratios. The Department is also directed to issue a Request for Proposal (RFP) for high tech imaging services. This represents a 14.9% reduction in spending on the high tech imaging contract, leaving an estimated \$90 million in the budget for FY 2014-15.
- 57 Nursing Home Case- Mix Index Adjustment (1310)** (\$2,200,000) R
 Freezes the case-mix index adjustments for direct cost of nursing home rates effective January 1, 2015. Historically, nursing home direct care rates are adjusted quarterly for the change in the average case mix or intensity of care for each facility's residents from the previous quarter. The case mix index adjustments do not apply to the indirect care or fair rental value components of the nursing home per diem rates. Total Medicaid payments for nursing homes is projected to be \$1.16 billion in FY 2013-14. This represents a 0.5% reduction in overall spending for nursing homes leaving an estimated \$1.2 billion in the Medicaid budget for FY 2014-15.
- 58 Average Acquisition Cost for Drug Pricing (1310)** (\$975,000) R
 Converts the pricing for drug products from a multiple of Wholesale Acquisition Cost (WAC) for brand medications and State Maximum Allowable Cost (SMAC) for generic medications to an average acquisition cost for all Medicaid drugs. This item also adjusts dispensing fees to more closely align with the cost of dispensing. Total spending for drug product and dispensing fees are projected to be \$1.4 billion in FY 2013-14. The amount is offset by drug rebates that are estimated at \$678 million in FY 2013-14. This represents a 0.3% reduction in spending for drug costs, net of rebates, leaving an estimated net budget of \$737 million in FY 2014-15.

- 59 State Retention of Physician Upper Payment Limit (UPL) Plan (1310)** (\$9,380,470) R
- Implements a new 28.85% retention of the assessment under the University of North Carolina at Chapel Hill (UNC) and East Carolina University (ECU) physician UPL plan effective July 1, 2014. The retention will apply to the total amount assessed and transferred to the Division of Medical Assistance through an intergovernmental transfer or payment by these organizations. The amount not retained will be used to fund the state share of the costs of the supplemental payment under the UPL plan. In FY 2013-14, UNC and ECU transferred \$23.1 million to the Division of Medical Assistance for the State share of UPL payments of \$66.8 million. The new State retention will increase the amounts transferred from UNC and ECU to approximately \$32.5 million, with supplemental payments to the two organizations totaling approximately \$66.8 million.
- 60 State Retention of the Hospital GAP Plan Assessment (1310)** (\$15,102,794) R
- Increases the State retention on assessments through the hospital GAP plan from 25.9% to 28.85% effective July 1, 2014. The increased retention percentage will apply to the total amount assessed under the GAP plan. The residual amount of assessment will be used to make supplemental equity and upper payment limit payments as defined under the plan. The GAP plan for the year ending September 30, 2014 provides for payments from hospitals totaling \$366 million and supplemental payments for outpatient equity and inpatient upper payment limit of \$787 million. This change will increase the amount of payments from the hospitals, but will not change the supplement payments the hospitals receive.
- 61 Hospital Outpatient Cost (1310)** (\$6,078,784) R
- Reduces the settlement for the University of North Carolina-Chapel Hill (UNC-CH) and Pitt Memorial (ECU) hospitals for outpatient services to 70% of Medicaid costs effective July 1, 2014. Historically, the State has funded the State share of payment to UNC-CH and ECU at 100% of costs, unlike other hospitals which are paid 70% of cost through the claims and settlement processes. The reduction in settlement percentage will be factored into supplemental payments under the Disproportionate Share Hospital (DSH) and hospital GAP payment plans. This represents a 2.1% reduction in overall hospital outpatient Medicaid spending, leaving an estimated \$821 million in the budget for outpatient services for all hospitals in FY 2014-15.
- 62 Provider Rate Reduction (1310)** (\$10,803,013) R
- Reduces provider rates by 2% effective January 1, 2015. This reduction applies to all fee-for-service providers with the exception of drugs, nursing homes, all cost based providers, and services where rates are set by the federal government, negotiated through a managed care contract, or as specified in special provisions.

63 Single Base Rate for All Hospitals (1310)

(\$10,800,000) R

Establishes a single base diagnosis related group (DRG) rate for inpatient hospital services based on the statewide median base rate for all hospitals effective January 1, 2015. This reduces payments for hospital services by \$12.4 million and increases the GAP plan retention by \$9.2 million on an annual basis. In FY 2013-14 total spending for inpatient hospital services is projected to be \$938 million. This represents a 1.8% reduction in spending for inpatient hospital services, leaving an estimated \$992 million in the FY 2014-15 budget.

64 Personal Care Services (PCS) Rate adjustment (1310)

Reduces the PCS unit rate so that the approval of 50 additional hours included in the Medicaid Clinical policy approved by the Center for Medicare and Medicaid Services (CMS) in May 2014 is budget neutral.

65 Medicaid Rebase (1310,1331,1320)

\$206,000,000 R

Funds the Medicaid rebase for FY 2014-15 that includes 5.3% growth in enrollment and utilization; a change in mix to a more expensive recipient; current year spending trends for Personal Care Services and settlements; the impact of presumptive eligibility as a result of the Affordable Care Act; the impact of an additional 20,000 children shifting from Health Choice to Medicaid; the impact of not meeting all the budget reduction items approved as part of the FY 2013-15 Biennium Budget; and an increase in the federal match rate.

The following chart details the various components of the rebase calculation:

- Growth, Claims and Utilization:\$114,100,000
- Budget Reductions Not Achieved:
 - Outpatient to 70% - \$25,300,000
 - Shared Savings - \$10,800,000
 - Drug Savings - \$9,400,000
 - Rehabilitation Visit Limitation - \$5,700,000
 - Physician Visit Limitation - \$7,600,000
 - Freeze Rates - \$26,600,000
 - Copay Increase - \$5,000,000
- Presumptive Eligibility:\$5,500,000
- Additional Children Shifted From Health Choice: \$9,400,000
- Change in FMAP: (\$14,600,000)
- PCS Services: \$100,000
- Settlements:\$1,100,000

MEDICAID REBASE FY 2014-15: \$ 206,000,000

66 Medicaid Funds for FY 13-14

Appropriates nonrecurring funds to address a projected FY 2013-14 Medicaid budget shortfall of \$93.9 million. Unachieved S.L. 2013-360 reductions and other unbudgeted items are outlined below:

\$143,800,000 NR

- Medicaid Claims, Utilization and Growth:(\$149,700,000)
- Budget Reduction Items not Achieved: \$63,600,000
- Presumptive Eligibility: \$13,200,000
- MAGI Recertification Delay: \$2,800,000
- Additional Children Shifted from Heath Choice: \$8,700,000
- PCS Services: \$12,400,000
- Settlements: \$8,200,000
- Heath Choice Surplus:(\$9,100,000)
- Medicaid Claims and Enrollment Backlog: \$143,800,000

Net Shortfall: \$ 93,900,000

A projected FY 2013-14 cash surplus of \$49.9 million, anticipated due to backlogs of unpaid claims and unprocessed eligibility applications, will revert on June 30, 2014. Therefore, a nonrecurring appropriation of \$143.8 million is needed for the liability associated with the unpaid claims and enrollment backlogs that will be paid in FY 2014-15.

67 Personal Care Services (PCS) Study Optional Program (1102)

Provides funding for the Department to transfer \$200,000 to the Legislative Services Commission to contract for a study to define a new limited PCS optional service program. This amount represents the State share of the total funding of \$400,000. The remaining source of funding will come from the Medicaid administrative funding from the Centers for Medicare and Medicaid Services (CMS). The report from this study is due December 1, 2015.

\$200,000 NR

68 Division of Medical Assistance Reorganization (1101,1102)

Provides funding for consultants, contractors and initial staffing for the development of a new organization for the Division of Medical Assistance.

\$4,898,158 NR

Total Legislative Changes	\$47,290,810	R
	\$148,898,158	NR
Total Position Changes		
Revised Budget	\$3,804,308,059	

Health and Human Services

GENERAL FUND

Total Budget Enacted 2013 Session	FY 14-15
	\$57,747,933

Legislative Changes

(10.0) NC Health Choice

69 Health Choice Rebase (1310) (\$14,500,000) R

Funds the Health Choice rebase for FY 2014-15 that includes a 5.3% growth in enrollment and utilization, the impact of an additional 20,000 children shifting from Health Choice to Medicaid, and the impact of not meeting all the budget reduction items included in the 2013 Appropriations Act.

The following chart details the various components of the rebase calculation:

Growth, Claims and Utilization: (\$9,900,000)
 Budget Reductions Not Achieved: \$2,900,000
 Additional Children Shifted From Health Choice: (\$7,500,000)

HEALTH CHOICE REBASE FY 2014-15 (\$14,500,000)

70 Single Base Rate for all Hospitals (1310) (\$63,961) R

Establishes a single base diagnosis related group (DRG) rate for inpatient hospital services based on the statewide median base rate for all hospitals effective January 1, 2015. This represents a 1.8% reduction in claims spending for inpatient hospital services.

71 Health Choice Administrative Budget Adjustment (1102) (\$1,250,000) R

Adjusts the Health Choice administrative budget to more accurately reflect actual expenditures and anticipated costs in FY 2014-15.

Total Legislative Changes	(\$15,813,961) R
Total Position Changes	
Revised Budget	\$41,933,972

Health and Human Services

GENERAL FUND

Total Budget Enacted 2013 Session	<table border="1"><tr><td>FY 14-15</td></tr></table> \$8,178,618	FY 14-15
FY 14-15		

Legislative Changes

(11.0) Divisions of Services for the Blind and Services for the Deaf and Hard of Hearing

72 No Action Taken

Takes no budget action specific to the Divisions of Services for the Blind and Services for the Deaf and Hard of Hearing.

Total Legislative Changes

Total Position Changes

Revised Budget	\$8,178,618
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**NATURAL
&
ECONOMIC
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Section H**

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Agriculture and Consumer Services

GENERAL FUND

Total Budget Enacted 2013 Session

FY 14-15
\$115,409,902

Legislative Changes

Reserve for Salaries & Benefits

- | | | |
|--|--------------------|----------|
| <p>1 Compensation Increase Reserve</p> <p>Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees.</p> | <p>\$1,322,367</p> | <p>R</p> |
| <p>2 State Retirement System Contributions</p> <p>Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million.</p> | <p>\$227,746</p> | <p>R</p> |

Food and Drug

- | | | |
|---|--------------------|----------|
| <p>3 Commercial Feed and Pet Fees (1070)</p> <p>Budgets \$120,000 in additional license fee receipts to offset General Fund support and more closely align to actual collections. Actual collections from FY 2012-13 totaled \$383,080.</p> | <p>(\$120,000)</p> | <p>R</p> |
| <p>4 Commercial Feed and Pet Grants (1070)</p> <p>Budgets \$50,000 in additional grant receipts to offset General Fund support and more closely align to actual collections. Actual collections from FY 2012-13 totaled \$279,063.</p> | <p>(\$50,000)</p> | <p>R</p> |
| <p>5 Food, Drug, and Cosmetic Analysis Fees (1100)</p> <p>Budgets \$50,000 in additional license fee receipts to offset General Fund support and more closely align to actual collections. Actual collections from FY 2012-13 totaled \$803,820.</p> | <p>(\$50,000)</p> | <p>R</p> |

6 Food, Drug, and Cosmetic Analysis Grants (1100) (\$100,000) R
 Budgets \$100,000 in additional grant receipts to offset General Fund support and more closely align to actual collections. Actual collections from FY 2012-13 totaled over \$1.2 million.

Forest Service

7 County Cost-Share Adjustment (1510) (\$1,056,678) R
 Budgets additional receipts to offset General Fund support and fund shifts positions due to changes to the calculation of county cost-share allocations. The funding model for county-specific Forest Service personnel results in revised funding levels of \$12.25 million and \$9.75 million for the State and counties respectively. -18.35

8 Forestry Management Plans (1510) (\$2,087,057) R
 Budgets anticipated receipts from fees charged for forestry management plans produced by the NC Forest Service. Forestry management plans are required to receive present-use value property tax assessments on forestland. Fees range from \$250 to \$750 per forestry management plan depending on acreage.

Plant Industry

9 Seed and Fertilizer Fees (1175) (\$50,000) R
 Budgets \$50,000 in additional license fee receipts to offset General Fund support and more closely align to actual collections. Actual collections from FY 2012-13 totaled \$308,647.

Research Stations

10 Bioenergy Development - TVA Funds (1190) (\$438,583) NR
 Budgets TVA settlement funds returned by the Biofuels Center to the Department of Commerce upon dissolution of the nonprofit. Funds will be provided to the Bioenergy Development program administered by the Department and will offset existing General Fund support for FY 2014-15. Total program funding will remain at \$1.5 million for FY 2014-15. TVA funds may only be spent in the counties identified in Section 13.3 of S.L. 2013-360.

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11 Commodity Receipts (1190)

(\$100,000) R

Budgets additional sales receipts from research station products to more closely match actual experience. In FY 2012-13, the research stations overrealized commodity sales receipts by \$681,389.

12 Research Grant Funds (1190)

(\$50,000) R

Budgets an additional \$50,000 in receipts from the University of North Carolina system for use by the Department's research stations. Combined with \$50,000 in previously budgeted receipts in FY 2011-12, receipts from the university system total \$100,000.

Reserves and Transfers

13 FFA Grant Funding (1990)

(\$100,000) R

Eliminates expansion funding to the FFA Foundation. The program will continue to receive \$40,000 in recurring grant funding.

14 Farmland Preservation Trust Fund (1990)

\$248,222 NR

Provides additional nonrecurring funding to the Trust Fund. Funding to the Trust Fund in FY 2014-15 will total over \$1.9 million from the General Fund and an additional \$1 million from TVA settlement funds.

15 Farmland Preservation Trust Fund - Military Buffers (1990)

\$1,000,000 NR

Provides \$1 million in nonrecurring funding to match federal funds for the purchase of development rights from agricultural operations located near military bases in the State. Funding to the Trust Fund in FY 2014-15 will total over \$1.9 million from the General Fund and an additional \$1 million from TVA settlement funds.

16 NCSU Food Processing Initiative (1990)

\$250,000 NR

Provides \$250,000 in nonrecurring funding to the College of Agriculture and Life Sciences at NC State University to support the development of the Department's food processing initiative. The University of North Carolina system may not collect Facilities and Administrative expenses from these funds provided to the initiative.

17 NCSU Plant Science Initiative (1990)

Provides \$350,000 in nonrecurring funding to the College of Agriculture and Life Sciences at NC State University to support the development of the Department's plant science initiative. The University of North Carolina system may not collect Facilities and Administrative expenses from these funds provided to the initiative.

\$350,000 NR

Soil and Water Conservation**18 Agriculture Water Resource Assistance Program (1611)**

Provides additional nonrecurring funding to support agriculture water resource development projects. Total program funding for FY 2014-15 is \$3 million.

\$2,000,000 NR

Structural Pest Control and Pesticides**19 Pesticide Control and Analysis Fees (1090)**

Budgets \$100,000 in additional license fee receipts to offset General Fund support and more closely align to actual collections. Actual collections from FY 2012-13 totaled over \$2.9 million.

(\$100,000) R

20 Sleep Products (1120)

Transfers the operating budget and positions to fund code 1120 - Structural Pest, and reduces the program requirements by \$100,000 to more closely align to actual expenditures. Positions will continue to be receipt supported from bedding unit inspection fees.

(\$100,000) R

21 Structural Pest Fees (1120)

Budgets \$50,000 in additional license fee receipts to offset General Fund support and more closely align to actual collections. Actual collections from FY 2012-13 totaled \$434,510.

(\$50,000) R

Veterinary Services**22 National Poultry Improvement Plan Certification (1130)**

Budgets anticipated receipts resulting from a modified fee structure for certification services provided to small flock poultry producers.

(\$25,000) R

Total Legislative Changes	(\$2,488,622)	R
	\$3,409,639	NR
Total Position Changes	-18.35	
Revised Budget	\$116,330,919	

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Labor

GENERAL FUND

		FY 14-15	
Total Budget Enacted 2013 Session		\$16,696,339	
<hr/>			
Legislative Changes			
Department-wide			
23 Management Flexibility Reduction		(\$333,927)	R
Allocates a 2% management flexibility reduction to the Department. The Commissioner may apply the reductions as deemed necessary.			
 Reserve for Salaries & Benefits			
24 Compensation Increase Reserve		\$238,411	R
Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees.			
25 State Retirement System Contributions		\$48,315	R
Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million.			
Total Legislative Changes		(\$47,201)	R
 Total Position Changes			
Revised Budget		\$16,649,138	

Environment & Natural Resources

GENERAL FUND

	FY 14-15	
Total Budget Enacted 2013 Session	\$157,767,236	

Legislative Changes

Reserve for Salaries & Benefits

26 Compensation Increase Reserve	\$1,596,965	R
Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees.		

27 State Retirement System Contributions	\$276,858	R
Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million.		

Aquariums

28 Admission Receipts (1355)	(\$180,000)	R
Budgets additional admission fee receipts to offset General Fund support of the State's three aquariums. Admission fees were increased by \$2.95 for all age groups effective March 1, 2014, and are estimated to generate an additional \$1.4 million in new revenue.		

Coastal Management

29 Public Information Efforts (1625)	(\$42,601)	R
Reduces funding for a Public Information Officer position (60031534) by 50% in the Division of Coastal Management by cost sharing the position with the Department's Office of Public Affairs. This position will be split between the Division and the Office of Public Affairs where it will support department-wide issues.		
	-0.50	

Energy, Mineral and Land Resources

30 Position Reduction (1740) (\$61,049) R
 Abolishes a vacant Environmental Senior Specialist position (65002024) in the Wilmington Regional Office's Stormwater Permitting Section. Six Stormwater Engineers and one Engineer who works on National Pollutant Discharge Elimination System permit program will remain in the Wilmington Office. -1.00

31 University Energy Centers (1749) (\$816,933) NR
 Budgets Stripper Well Settlement funds transferred from budget code 64327-693E to partially offset General Fund support of the university energy centers located at North Carolina State University, North Carolina Agricultural and Technical State University (N.C. A&T), and Appalachian State University. A total of \$1,056,933 is appropriated for these centers.

32 Shale Gas (1750) \$1,173,324 NR
 Provides nonrecurring funding for drilling of test wells and core analysis in the State's shale basins. Also provides \$100,000 for marketing and promotion of the State's shale gas resources. There is a corresponding special provision.

33 Operating Funds for Oil and Gas Program (1740) \$176,789 R
 Provides operating funds to support the Energy Section's requirement to develop and implement a modern regulatory program for oil and gas exploration and development, and to support the Mining and Energy Commission in developing associated administrative rules.

34 Coal Ash Management - Stormwater (1740) \$140,811 R
 Provides funding for two new positions and associated operating costs to address the long term requirements of stormwater permitting, inspection and compliance activities related to coal based power facilities. 2.00

Position	Total Cost
Engineer	\$82,343
Program Assistant V	\$41,244

A total of \$1.75 million in recurring funds is provided to the Department for coal ash management. This item is contingent upon S.B. 729, 2013 Regular Session, or substantially similar language, becoming law.

35 Coal Ash Management - Dams (1740)

\$386,390 R

Provides nonrecurring funding for five new positions and associated operating costs to address the long term requirements of permitting, inspection and safety evaluations of all power generating dam facilities in North Carolina.

5.00

Position	Total Cost
2 Engineers	\$165,686
2 Environmental Sr. Specialist	\$151,210
1 Program Assistant V	\$ 41,244

A total of \$1.75 million in recurring funds is provided to the Department for coal ash management. This item is contingent upon S.B. 729, 2013 Regular Session, or substantially similar language, becoming law.

Environmental Assistance and Customer Service

36 Utility Savings Initiative (1615)

(\$183,067) NR

Budgets Stripper Well Settlement funds transferred from budget code 64327-693E to partially offset General Fund support of the Utility Savings Initiative on a nonrecurring basis.

37 Position Reductions (1615)

(\$113,011) R

Reduces General Fund support for a vacant Environmental Senior Specialist position (60035972) in the Environmental Assistance Center to 50% and abolishes a vacant Senior Economic Developer position (60080986) that was transferred from Commerce as part of the Energy Office move to DENR. The office supplies line-item is reduced by \$314, leaving \$3,147.

-1.22

Marine Fisheries

38 Position Shifts (1320)

(\$143,760) R

Fund shifts three Marine Fisheries Technician II positions (60032634, 60032668, 60032653) from General Fund support to federal grant support and takes a corresponding General Fund reduction.

-3.00

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39 Position Reductions (1495) (\$148,240) R
 Closes the Marine Fisheries office located in Nags Head for an operating savings of \$19,422, and shifts two positions to home-based operations. Also abolishes two filled positions, an Environmental Health Specialist (60034501), an Environmental Senior Technician (60034515), and a vacant Microbiology Lab Technician III (60034517) that is currently split funded between General Fund support and a federal grant. -2.50

40 At-Sea Observer Program (1320) (\$289,000) R
 Eliminates General Fund support for the At-Sea Observer Program. Recurring support will be provided from commercial fishing license fee receipts.

41 Marine Oyster Sanctuary (1320) \$150,000 R
 Provides funding for habitat mapping and water column/benthic data collection associated with establishing an oyster sanctuary. Also supports any advance analysis and studies that may be required by State or federal agencies to permit shellfish conservation efforts in the sanctuary.

Museum of Natural Sciences

42 Operating Reductions (1360) (\$195,616) R
 Reduces Museum funding by 1.6% by abolishing a vacant Administrative Assistant I position (60035022) and reducing funding for temporary wages. Also reduces salary reserve by \$30,000 and the carpentry and hardware supplies line-item by \$30,785. -1.00

43 Museum of Forestry (1360) (\$391,117) R
 Eliminates funding for the Museum of Forestry in Whiteville, NC and closes the Museum effective July 1, 2014. Provides nonrecurring funding to support positions for three months to assist with the closure and mothballing of exhibits. \$97,779 NR -3.00

Office of Land and Water Stewardship

44 One NC Naturally Initiative (1610) (\$59,274) R
 Abolishes a filled Educational Development Consultant position (60036213) that provided outreach and education programs for the One NC Naturally initiative to generate interest in and understanding of the State's conservation needs. Duties will be shifted to the remaining employees. -1.00

Parks and Recreation

- | | | |
|---|-------------|----|
| 45 Operating Reductions (1280) | (\$623,360) | R |
| Abolishes a vacant State Parks Facility Architect position (60092635) supported by the Parks and Recreation Trust Fund. Also reduces various equipment line-items including but not limited to motor vehicles, boats, trailers, voice communication equipment and computers and printers. Operating funds of \$9.4 million remain after this reduction. | | |
| | -1.00 | |
|
 | | |
| 46 Parks and Recreation Trust Fund | (\$70,000) | R |
| Reduces support to the Trust Fund by \$70,000, leaving over \$12.8 million in the Fund. | | |
|
 | | |
| 47 Camp Sertoma Land Management | \$70,000 | R |
| Provides funds to support the management of the Camp Sertoma Property, which is being transferred from the University System to the State Parks System in Section 11.7(d) of this Act. | | |
|
 | | |
| 48 Consultant Study (1280) | \$250,000 | NR |
| Provides nonrecurring funds to hire a consultant to review the operations of the State's cultural and natural resource sites and recommend ways to reduce the cost to the State for their operations. | | |

Reserves and Transfers

- | | | |
|--|-------------|----|
| 49 Outer Banks Land Management Fund (1910) | \$5,000,000 | NR |
| Provides a nonrecurring appropriation to the newly created Outer Banks Land Management Fund to be established in the Department of Environment and Natural Resources. Total funding appropriated to the Fund from all sources is \$15 million, including \$3 million in a capital reserve contingent upon the land sale. Fund uses are specified in a corresponding special provision. | | |

Secretary's Office

- | | | |
|---|------------|---|
| 50 Salary Reserve (1140) | (\$34,949) | R |
| Reduces salary reserve available within the Secretary's Office. | | |

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51 Reserve for Coal Ash Management (1910)

\$438,943 R

Creates a reserve in the Secretary's Office for up to six additional positions to support the coal ash management initiative outlined in Senate Bill 729. Positions and associated operating support will be reallocated to the following divisions as the positions are filled: Water Resources, Waste Management, and Energy, Mineral and Land Resources.

6.00

A total of \$1.75 million in recurring funds is provided to the Department for coal ash management. This item is contingent upon S.B. 729, 2013 Regular Session, or substantially similar language, becoming law.

52 Public Information Office (1140)

Expands the Department's public information efforts by transferring 50% of a Public Information Officer position (60031534) from the Division of Coastal Management to the Office of Public Affairs. Position will be supported by indirect cost receipts.

Waste Management

53 Solid Waste Section (1760)

(\$23,606) R

Reduces the legal services and motor vehicle insurance line-items in the Solid Waste Section, leaving \$174,974 for these purposes.

54 Waste Management (1760)

(\$1,000,000) R

Budgets a transfer of solid waste disposal tax receipts to replace General Fund support of positions that inspect and permit hazardous waste and solid waste facilities. Positions also enforce hazardous waste, solid waste and inactive hazardous sites management standards, and ensure the development and implementation of comprehensive plans for management of waste.

55 Noncommercial Fund (1910)

\$1,929,968 R

Provides a \$1.57 million nonrecurring appropriation and a \$1.93 million recurring appropriation for the Noncommercial Leaking Petroleum Underground Storage Tank Fund to assist homeowners with the cleanup cost of petroleum releases from home heating oil tanks and small farm tanks.

\$1,570,032 NR

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56 Coal Ash Management - Waste Management (1760)

\$193,742 R

Provides funding for two new positions and associated operating costs to support the additional workload that is expected with the permitting of industrial landfills for removed combustion products.

2.00

Position	Total Cost
Engineer	\$82,343
Geologist/Hydrogeologist	\$76,615

A total of \$1.75 million in recurring funds is provided to the Department for coal ash management. This item is contingent upon S.B. 729, 2013 Regular Session, or substantially similar language, becoming law.

Water Infrastructure

57 Operating Support (1460)

(\$10,000) R

Reduces the supplies line item on a recurring basis, leaving \$5,000 for this purpose.

58 Drinking Water State Revolving Fund (DWSRF) (1460)

(\$1,400,000) NR

Reduces funding for the DWSRF State match by \$600,000 due to an anticipated decrease in the federal capitalization grant for the program in federal fiscal year 2014-15. Also transfers \$800,000 in unused DWSRF State matching funds back to the division's General Fund budget and takes a corresponding nonrecurring reduction in FY 2014-15.

Water Resources

59 Aquatic Weed Control Transfer (1620)

(\$54,920) R

Transfers the Aquatic Weed Control program from the Department to the Wildlife Resources Commission as a Type I transfer. Additional adjustments may be implemented through a type 11 budget revision.

-1.00

60 Position Reductions (1620 & 1690)

(\$155,976) R

Abolishes a filled Business & Technology Applications Technician position (60031523) in the Water Resources Management Section and also abolishes a vacant Environmental Regional Supervisor (60035227) in the Fayetteville Regional Office. A receipt-supported supervisor from the Central Office will be reassigned to replace the regional supervisor position.

-2.00

61 Coal Ash Management - Water Quality (1690 &1695)

\$590,114 R

Provides funding for eight General Fund and two receipt-supported positions and associated operating costs. Six of the positions will conduct facility inspections and technical reviews of reports, including the evaluation of groundwater monitoring data and proposed corrective action and closure plans of coal ash ponds. Four of the positions will address the long term requirements of permitting, enforcement, data collection and analysis. Data regarding surface waters, sediment, and fish tissue will be provided to the public.

8.00

Position	Total Cost
5 Geologist/Hydrogeologist	\$307,896
1 Environmental Sr. Specialist	\$ 75,606
1 Environmental Specialist	\$ 67,219
1 Business & Technology App Analyst	\$ 95,012
1 Engineer (receipt-supported)	\$ 82,843
1 Geologist/Hydrogeologist (receipt-supported)	\$ 84,599

A total of \$1.75 million in recurring funds is provided to the Department for coal ash management. This item is contingent upon S.B. 729, 2013 Regular Session, or substantially similar language, becoming law.

62 On-Site Wastewater Transfer

\$1,177,154 R

Transfers the On-Site Water Protection Unit from the Department of Health and Human Services to the Department of Environment and Natural Resources as Type I transfer. Additional adjustments due to legislative salary increases, retirement and medical adjustments, as well as receipt adjustments and transfers from special funds may be implemented through a type 11 budget revision.

14.00

Total Legislative Changes

\$3,531,255 R

\$5,691,135 NR

Total Position Changes

19.78

Revised Budget

\$166,989,626

Wildlife Resources Commission

GENERAL FUND

Total Budget Enacted 2013 Session

FY 14-15
\$14,476,588

Legislative Changes

Reserve for Salaries & Benefits

- | | | |
|---|-----------|---|
| 63 Compensation Increase Reserve | \$179,544 | R |
| Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees. | | |
|
 | | |
| 64 State Retirement System Contributions | \$33,086 | R |
| Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million. | | |

Wildlife Resources Commission

- | | | | | | | | | | | | | | | | | | | | | |
|---|-------------|---|--|------------|--|---------------------------|------------|--|------------------------------|------------|--|-------------------------------------|------------|--|----------------------------------|------------|--|-----------------|------------|--|
| 65 Beaver Management Assistance Program (1151) | (\$7,700) | R | | | | | | | | | | | | | | | | | | |
| Reduces funding for the Beaver Management Assistance Program by 2%. A total of \$377,300 remains in the budget to support the Program. | | | | | | | | | | | | | | | | | | | | |
|
 | | | | | | | | | | | | | | | | | | | | |
| 66 Position Adjustments | (\$168,785) | R | | | | | | | | | | | | | | | | | | |
| Offsets General Fund appropriated salaries in each of the following programs by budgeting additional fishing and hunting license receipts transferred from the Wildlife Resources Fund established in G.S. 143-250: | | | | | | | | | | | | | | | | | | | | |
| <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1101: Administrative Policy and Regulation</td> <td style="width: 10%; text-align: right;">(\$38,245)</td> <td style="width: 10%;"></td> </tr> <tr> <td>1111: Controller's Office</td> <td style="text-align: right;">(\$26,678)</td> <td></td> </tr> <tr> <td>1113: Information Technology</td> <td style="text-align: right;">(\$58,883)</td> <td></td> </tr> <tr> <td>1115: Purchasing Services Warehouse</td> <td style="text-align: right;">(\$17,825)</td> <td></td> </tr> <tr> <td>1116: Budget, Planning and Audit</td> <td style="text-align: right;">(\$10,386)</td> <td></td> </tr> <tr> <td>1117: Personnel</td> <td style="text-align: right;">(\$16,768)</td> <td></td> </tr> </table> | | | 1101: Administrative Policy and Regulation | (\$38,245) | | 1111: Controller's Office | (\$26,678) | | 1113: Information Technology | (\$58,883) | | 1115: Purchasing Services Warehouse | (\$17,825) | | 1116: Budget, Planning and Audit | (\$10,386) | | 1117: Personnel | (\$16,768) | |
| 1101: Administrative Policy and Regulation | (\$38,245) | | | | | | | | | | | | | | | | | | | |
| 1111: Controller's Office | (\$26,678) | | | | | | | | | | | | | | | | | | | |
| 1113: Information Technology | (\$58,883) | | | | | | | | | | | | | | | | | | | |
| 1115: Purchasing Services Warehouse | (\$17,825) | | | | | | | | | | | | | | | | | | | |
| 1116: Budget, Planning and Audit | (\$10,386) | | | | | | | | | | | | | | | | | | | |
| 1117: Personnel | (\$16,768) | | | | | | | | | | | | | | | | | | | |

Senate Subcommittee on Natural and Economic Resources

FY 14-15

67 Budget Realignments (\$113,047) R

Reduces receipt supported line-items in the customer service and information technology sections and realigns those funds to offset General Fund appropriated salaries in each of those sections as follows:

- 1112: Customer Service (\$29,122)
- 1113: Information Technology (\$83,925)

68 Federal Grant Funds (1166) (\$1,000,000) R

Budgets an increase in a federal grant for game land operations and maintenance and reduces the General Fund appropriation by the same amount.

69 Aquatic Weed Control Transfer \$554,920 R

Transfers the Aquatic Weed Control program from the Department of Environment and Natural Resources to the Wildlife Resources Commission (WRC) as a Type I transfer. Also transfers \$400,000 from WRC's Boating Safety Account on a nonrecurring basis in FY 2014-15 to be used for the Lake Waccamaw Hydrilla Eradication Project. Additional recurring funding for aquatic weed control is provided from the Shallow Draft Navigation Channel and Lake Dredging Fund. There is a corresponding special provision.

\$400,000 NR
1.00

Total Legislative Changes (\$521,982) R

Total Position Changes \$400,000 NR

Revised Budget 1.00

\$14,354,606

Commerce

GENERAL FUND

	FY 14-15	
Total Budget Enacted 2013 Session	\$56,733,282	

Legislative Changes

Department-wide

<p>70 Management Flexibility Reserve</p> <p>Reduces funding to the Department by 2%, resulting in a revised General Fund appropriation of \$50.1 million (exclusive of Industrial Commission). The Secretary has the flexibility to take the reduction to programs and activities that cause the least disruption in service.</p>	<p>(\$1,022,654)</p>	<p>R</p>
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Reserve for Salaries & Benefits

<p>71 State Retirement System Contributions</p> <p>Increases the State’s contribution to the Teachers’ and State Employees’ Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million.</p>	<p>\$56,108</p>	<p>R</p>
<p>72 Compensation Increase Reserve</p> <p>Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees.</p>	<p>\$272,878</p>	<p>R</p>

Administration

<p>73 Special Funds (1111)</p> <p>Offsets the General Fund appropriation for Administration by directing the unencumbered cash balance as of June 30, 2014 from the following funds toward operating costs:</p> <p>Economic Development Reserve (24609-2584) Energy Research Grants Special Fund (24609-2537) NC Green Business Fund (24609-2535) One NC Small Business Fund (24609-2562) Main Street Solutions Special Fund (24613-2622)</p> <p>The Economic Development Reserve Fund is closed after the transfer. There is a corresponding special provision.</p>	<p>(\$663,839)</p>	<p>NR</p>
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Senate Subcommittee on Natural and Economic Resources

FY 14-15

74 Purchasing Officer (1111)

Eliminates a vacant Purchasing Officer position (60077170).

(\$76,728) R

-1.00

Commerce Finance Center

75 Job Maintenance and Capital Development Fund (JMAC) (1581)

Reduces funds appropriated for JMAC payments. A total of \$7.5 million is available for payments to Bridgestone, Goodyear, and Domtar for the 2013 grant year. Funds disbursed in FY 2013-14 were less than what was appropriated due to companies' underperformance.

(\$364,097) NR

Industrial Commission

76 Compromise Settlement Agreement Fees (1831)

Shifts Industrial Commission expenses to Compromise Settlement Agreement fee receipts in the General Fund, which will now be fully budgeted in the General Fund. Net General Fund appropriation to the Commission will be \$5 million.

(\$500,000) R

77 Special Fund (1831)

Offsets the General Fund appropriation for the Industrial Commission by directing the unencumbered cash balance as of June 30, 2014 from the Investigation Management System Special Fund (24611-2240) toward operating costs. This fund is closed after the transfer.

(\$125,000) NR

78 Investigation Management System (1831)

Eliminates funding for the Industrial Commission's Investigation Management System, which was intended to process, prioritize, and track investigations by the Insurance Compliance Program. Funding was appropriated to the Commission in FY 2013-14 but has not been used. The Commission is working with the Office of Information Technology Services to evaluate future system needs.

(\$75,000) R

Labor and Economic Analysis Division

79 Common Follow-Up System (CFS) (1130)

Budgets \$500,000 in nonrecurring receipts for CFS; the Commission on Workforce Development will prescribe a method for calculating the amount that participating agencies shall contribute to CFS. Agencies will transfer funds by December 31, 2014. There is a corresponding special provision.

80 AccessNC and Demand Driven Data Delivery System (D4) (1130)

Provides nonrecurring funding for contractual services to merge two information technology platforms (AccessNC and D4). AccessNC inventories available business sites statewide and provides economic data to the public. D4 publishes labor market data. There is a corresponding special provision.

\$500,000 NR

Rural Economic Development

81 Limited Resource Communities Grants (1534)

Eliminates the Limited Resource Communities Grant program established in Section 15.10B of S.L. 2013-360. There is a corresponding special provision.

(\$2,543,021) R

82 Community Assistance and Office of Urban Development (1620)

Eliminates approximately 9.15 FTEs from Community Assistance and Office of Urban Development. The Rural Economic Development Division Assistant Secretary has the discretion to make this determination among the 26.5 General Fund appropriated FTEs within fund code 1620. There is a corresponding special provision.

(\$637,500) R

83 Community Development Block Grant (CDBG) (1620)

Provides 50% of the required cash match for the CDBG program. FY 2014-15 funds shall be used to purchase and install a new grants management software program, which will be coordinated with the Department of Transportation's existing grant management module. The other 50% match will be in-kind, achieved via staff salaries' who are dedicated to full-time CDBG activities. There is a corresponding special provision.

\$637,500 R

Senate Subcommittee on Natural and Economic Resources

FY 14-15

84 NC Broadband (1477)

Provides six months of nonrecurring funding to allow for continuation of the NC Broadband program from January 1, 2015 to June 30, 2015 as federal funding ends December 31, 2014. There is a corresponding special provision.

\$350,000 NR

85 Grant Program Reduction

Makes a reduction to the Rural Economic Development Division grant programs.

(\$200,000) NR

86 Challenge Grant for Study of Future Use of Broughton Hospital

Provides funds for a challenge grant for a study of the future use of Broughton Hospital facilities.

\$200,000 NR

Workforce Solutions

87 Apprenticeship Program (1912)

Budgets \$300,000 in nonrecurring receipts for the Apprenticeship Program from the Community Colleges System Office to offset forgone revenue for waived apprentice fees in FY 2014-15. The Department of Commerce will evaluate the fee waivers effect on increasing participation in the program before requesting a permanent fee change.

Total Legislative Changes

(\$3,888,417) R

(\$302,936) NR

Total Position Changes

-1.00

Revised Budget

\$52,541,929

Senate Subcommittee on Natural and Economic Resources

Commerce - State Aid

GENERAL FUND

	FY 14-15	
Total Budget Enacted 2013 Session	\$15,624,767	
Legislative Changes		
Farm Bureau - Ag in the Classroom		
88 Ag in the Classroom (1913)	(\$21,175)	R
Eliminates funding to the Ag in the Classroom program due to inability to spend funds.		
Grassroots Science Museums		
89 Museum Additions (1913)	\$42,648	R
Provides base funding to two additional museums (Marbles in Raleigh and HandsOn! in Hendersonville) and eliminates funding to the Health Adventure museum in Asheville due to closure.		
Research Triangle Institute		
90 Research Triangle Institute Grant (1913)	\$250,000	NR
Provides \$250,000 in nonrecurring funding to the Research Triangle Institute for US Department of Energy grant match requirements. Research findings will be shared with the State Energy Office.		
Total Legislative Changes	\$21,473	R
	\$250,000	NR
Total Position Changes		
Revised Budget	\$15,896,240	

DACS - Special Revenue

Budget Code: 23700

	FY 2014-15
Beginning Unreserved Fund Balance	\$9,332,705
Recommended Budget	
Requirements	\$9,997,390
Receipts	\$7,230,638
Positions	34.00

Legislative Changes

Requirements:

Research Stations NR Fund (2185)		\$0	R
Reverts funds in excess of the \$1 million cash balance cap on the fund.		\$11,208	NR
		0.00	
Sleep Products (2500)		(\$838,473)	R
Reverts existing cash balance to the General Fund and closes fund code 2500 - Sleep Products. The program and associated budget are transferred to the Structural Pest program (1120) administered by the Department.		\$1,196,785	NR
		-10.20	
Plasticulture Tech Training (2147)		\$0	R
Reverts existing cash balance to the General Fund and closes fund code 2147 - Plasticulture Tech Training.		\$2,697	NR
		0.00	
Subtotal Legislative Changes		(\$838,473)	R
		\$1,210,690	NR
		-10.20	

Receipts:

Research Stations NR Fund (2185)		\$0	R
Reverts funds in excess of the \$1 million cash balance cap on the fund.		\$0	NR

FY 2014-15

Sleep Products (2500)

Reverts existing cash balance to the General Fund and closes fund code 2500 - Sleep Products. The program and associated budget are transferred to the Structural Pest program (1120) administered by the Department.

(\$838,473) R

\$0 NR

Plasticulture Tech Training (2147)

Reverts existing cash balance to the General Fund and closes fund code 2147 - Plasticulture Tech Training.

\$0 R

\$0 NR

Subtotal Legislative Changes

(\$838,473) R

\$0 NR

Revised Total Requirements

\$10,369,607

Revised Total Receipts

\$6,392,165

Change in Fund Balance

(\$3,977,442)

Total Positions

23.80

Unappropriated Balance Remaining

\$5,355,263

DACS - Warehouse Investment Fund

Budget Code: 23701

FY 2014-15

Beginning Unreserved Fund Balance **\$32,438**

Recommended Budget

Requirements **\$0**

Receipts **\$0**

Positions **0.00**

Legislative Changes

Requirements:

Warehouse Investment Fund (2201)

Reverts existing cash balance to the General Fund	\$0	R
and closes budget code 23701 - DACS - Warehouse Investment Fund.	\$32,438	NR
	0.00	

Subtotal Legislative Changes **\$0** R

\$32,438 NR

0.00

Receipts:

Warehouse Investment Fund

Reverts existing cash balance to the General Fund	\$0	R
and closes budget code 23701 - DACS - Warehouse Investment Fund.	\$0	NR

Subtotal Legislative Changes **\$0** R

\$0 NR

Revised Total Requirements	\$32,438
Revised Total Receipts	\$0
Change in Fund Balance	(\$32,438)
Total Positions	0.00

Unappropriated Balance Remaining	\$0
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DACS - Soil & Water Conservation

Budget Code: 23704

	FY 2014-15
Beginning Unreserved Fund Balance	\$13,247,553
Recommended Budget	
Requirements	\$10,261,581
Receipts	\$9,581,537
Positions	1.00

Legislative Changes

Requirements:

Swine Waste Fund (2730)	\$0	R
Reverts a portion of unencumbered funds appropriated in FY 2007-08 for swine waste management practices due to low demand.	\$206,552	NR
	0.00	
Subtotal Legislative Changes	\$0	R
	\$206,552	NR
	0.00	

Receipts:

Swine Waste Fund (2730)	\$0	R
Reverts a portion of unencumbered funds appropriated in FY 2007-08 for swine waste management practices due to low demand.	\$0	NR
Subtotal Legislative Changes	\$0	R
	\$0	NR

Revised Total Requirements	\$10,468,133
Revised Total Receipts	\$9,581,537
Change in Fund Balance	(\$886,596)
Total Positions	1.00

Unappropriated Balance Remaining	\$12,360,957
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Disaster Relief Fund

Budget Code: 24602

	FY 2014-15
Beginning Unreserved Fund Balance	\$3,317,157
Recommended Budget	
Requirements	\$1,500,000
Receipts	\$1,500,000
Positions	0.00

Legislative Changes

Requirements:

Small Bus Loans, Hurricane Floyd (2959)	\$0		R
Transfers all but \$1,000 to a reserve in the North Carolina Office of the State Chief Information Officer for LiDAR topological mapping.	\$122,243		NR
	0.00		
Small Bus Loans, 2005 Disaster Recovery (2966)	\$0		R
Transfers all but \$50,000 to a reserve in the North Carolina Office of the State Chief Information Officer for LiDAR topological mapping.	\$3,143,914		NR
	0.00		
Subtotal Legislative Changes	\$0		R
	\$3,266,157		NR
	0.00		

Receipts:

Disaster Relief Fund (24602)	\$0		R
	\$0		NR
Subtotal Legislative Changes	\$0		R
	\$0		NR

Revised Total Requirements	\$4,766,157
Revised Total Receipts	\$1,500,000
Change in Fund Balance	(\$3,266,157)
Total Positions	0.00

Unappropriated Balance Remaining	\$51,000
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Commerce - Special Revenue - GF

Budget Code: 24609

	FY 2014-15
Beginning Unreserved Fund Balance	\$13,537,607
Recommended Budget	
Requirements	\$29,389,508
Receipts	\$28,748,168
Positions	4.00

Legislative Changes

Requirements:

Economic Development Reserve (2584)	\$0	R
Transfers cash balance to Commerce's Administration Division to offset operating expenses.	\$49,687	NR
Fund 24609-2584 is closed.	0.00	
Energy Research Grants (2537)	\$0	R
Transfers a portion of the cash balance to Commerce's Administration Division to offset operating expenses.	\$3,674	NR
	0.00	
NC Green Business Fund (2535)	\$0	R
Transfers a portion of the cash balance to Commerce's Administration Division to offset operating expenses.	\$19,018	NR
	0.00	
One NC Small Business Fund (2562)	\$0	R
Transfers a portion of the cash balance to Commerce's Administration Division to offset operating expenses.	\$172,687	NR
	0.00	
Ag Gas Expansion	\$2,500,000	R
Establishes a special fund for Expanded Gas Products Service to Agriculture.	\$2,500,000	NR
	0.00	
IDF Utility Account (2568)- Ag Gas Expansion	\$2,500,000	R
Transfers \$2.5 million in recurring receipts and \$2.5 million of cash balance to the newly established special fund for Expanded Gas Products Service to Agriculture.	\$2,500,000	NR
	0.00	

FY 2014-15

IDF Utility Account (2568)- Oregon Inlet

\$0 R

Transfers \$3.5 million of the cash balance to the newly created Outer Banks Land Management Fund to be established in the Department of Environment and Natural Resources.

\$3,500,000 NR

0.00

One North Carolina Small Business Fund (2562)

\$0 R

Receives \$2.5 million from the One NC Fund.

\$2,500,000 NR

0.00

One North Carolina Fund (2560)

\$0 R

Transfers \$2.5 million cash balance to the One North Carolina Small Business Fund.

\$2,500,000 NR

0.00

Subtotal Legislative Changes

\$5,000,000 R

\$13,745,066 NR

0.00

Receipts:

Economic Development Reserve (2584)

\$0 R

\$0 NR

Energy Research Grants (2537)

\$0 R

\$0 NR

NC Green Business Fund (2535)

\$0 R

\$0 NR

One North Carolina Small Business Fund (2562)

\$0 R

Receives \$2.5 M from the One NC Fund.

\$2,500,000 NR

Ag Gas Expansion

\$2,500,000 R

Establishes a special fund for Expanded Gas Products Service to Agriculture.

\$2,500,000 NR

IDF Utility Account (2568)

\$6,900,000 R

Increases receipts to reflect FY 2013-14 actuals and transfers \$2.5 M to the newly established special fund for Expanded Gas Products Service to Agriculture.

\$0 NR

Senate Committee on Appropriations/Base Budget

FY 2014-15

One North Carolina Fund (2560)

\$0 R

\$0 NR

Subtotal Legislative Changes

\$9,400,000 R

\$5,000,000 NR

Revised Total Requirements

\$48,134,574

Revised Total Receipts

\$43,148,168

Change in Fund Balance

(\$4,986,406)

Total Positions

4.00

Unappropriated Balance Remaining

\$8,551,201

Commerce - IT Projects

Budget Code: 24611

	FY 2014-15
Beginning Unreserved Fund Balance	\$975,165
Recommended Budget	
Requirements	\$1,776,205
Receipts	\$1,776,205
Positions	0.00

Legislative Changes

Requirements:

Investigation Management System (2240)	\$0	R
Transfers cash balance to the Industrial Commission to offset operating expenses. Fund 24611-2240 is closed.	\$125,000	NR
	0.00	
Subtotal Legislative Changes	\$0	R
	\$125,000	NR
	0.00	

Receipts:

Investigation Management System (2240)	\$0	R
	\$0	NR
Subtotal Legislative Changes	\$0	R
	\$0	NR

Revised Total Requirements	\$1,901,205
Revised Total Receipts	\$1,776,205
Change in Fund Balance	(\$125,000)
Total Positions	0.00

Unappropriated Balance Remaining	\$850,165
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Commerce - Special Revenue

Budget Code: 24613

FY 2014-15

Beginning Unreserved Fund Balance **\$1,605,141**

Recommended Budget

Requirements	\$77,958
Receipts	\$2,958
Positions	2.00

Legislative Changes

Requirements:

Main Street Solutions (2622)	\$0	R
Transfers cash balance to Commerce's Administration Division to offset operating expenses.	\$418,773	NR
	0.00	
Subtotal Legislative Changes	\$0	R
	\$418,773	NR
	0.00	

Receipts:

Main Street Solutions (2622)	\$0	R
	\$0	NR
Subtotal Legislative Changes	\$0	R
	\$0	NR

Revised Total Requirements	\$496,731
Revised Total Receipts	\$2,958
Change in Fund Balance	(\$493,773)
Total Positions	2.00

Unappropriated Balance Remaining	\$1,111,368
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Commerce – Enterprise

Budget Code: 54600

	FY 2014-15
Beginning Unreserved Fund Balance	\$5,880,653
Recommended Budget	
Requirements	\$46,432,723
Receipts	\$46,229,552
Positions	326.00

Legislative Changes

Requirements:

ABC Warehouse (5882)	\$0	R
Reverts \$2.5 million of the cash balance from fund code 5882 - ABC Warehouse to the General Fund.	\$2,500,000	NR
	0.00	
ABC Commission (5881)	\$0	R
Reverts \$1 million of the cash balance from fund code 5881 - ABC Commission to the General Fund.	\$1,000,000	NR
	0.00	
Subtotal Legislative Changes	\$0	R
	\$3,500,000	NR
	0.00	

Receipts:

ABC Warehouse (5882)	\$0	R
Reverts \$2.5 million of the cash balance from fund code 5882 - ABC Warehouse to the General Fund.	\$0	NR
ABC Commission (5881)	\$0	R
Reverts \$1 million of the cash balance from fund code 5881 - ABC Commission to the General Fund.	\$0	NR
Subtotal Legislative Changes	\$0	R
	\$0	NR

Revised Total Requirements	\$49,932,723
Revised Total Receipts	\$46,229,552
Change in Fund Balance	(\$3,703,171)
Total Positions	326.00

Unappropriated Balance Remaining	\$2,177,482
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DENR - Special

Budget Code: 24300

	FY 2014-15
Beginning Unreserved Fund Balance	\$19,291,529
Recommended Budget	
Requirements	\$46,315,424
Receipts	\$37,223,777
Positions	275.50

Legislative Changes

Requirements:

Aquariums Admissions Fund (2865)	\$180,000	
Increases the transfer of admission fee receipts to the aquariums' General Fund budget to support the operations of the State's three aquariums.	\$0	R
	0.00	NR
Inspection & Maintenance Pollution Control	\$0	R
No adjustment necessary.	\$0	NR
	0.00	
Advance License Sales (2392)	\$0	R
Transfers \$3.5 million of the cash balance to the newly created Outer Banks Land Management Fund to be established in the Department of Environment and Natural Resources. There is a corresponding special provision.	\$3,500,000	NR
	0.00	
Shallow Draft Dredging Fund (2182)	\$500,000	R
Transfers up to \$500,000 to the Wildlife Resources Commission's General Fund to support the Aquatic Weed Control program.	\$0	NR
	0.00	
Subtotal Legislative Changes	\$680,000	R
	\$3,500,000	NR
	0.00	

Receipts:

FY 2014-15

Aquariums Admissions Fund (2865)

\$1,400,000 R

Budgets additional admission fee receipts anticipated to be generated as the result of a fee increase at the State's three aquariums and Jennette's Pier. Aquarium admission fees were increased by \$2.95 for all age groups. Pier fees were increased for multi-day fishing passes and sightseeing passes.

\$0 NR

Inspection & Maintenance Pollution Control (2338)

\$0 R

Diverts \$3 million of the emissions inspection fee from the I & M Air Pollution Control Account to the General Fund in FY 2014-15. Directs the Division of Air Quality to use its cash balance to support the pollution control program for mobile sources in FY 2014-15. There is a corresponding special provision.

(\$3,000,000) NR

Advance License Sales (2392)

\$0 R

No adjustment necessary.

\$0 NR

Shallow Draft Dredging Fund (2182)

\$0 R

No adjustment necessary.

\$0 NR

Subtotal Legislative Changes

\$1,400,000 R

(\$3,000,000) NR

Revised Total Requirements

\$50,495,424

Revised Total Receipts

\$35,623,777

Change in Fund Balance

(\$14,871,647)

Total Positions

275.50

Unappropriated Balance Remaining

\$4,419,882

Reserve for Air Quality - Fuel Tax

Budget Code: 24301

	FY 2014-15
Beginning Unreserved Fund Balance	\$1,675,632
Recommended Budget	
Requirements	\$9,678,445
Receipts	\$9,664,348
Positions	99.60

Legislative Changes

Requirements:

Air Quality Fuel Tax (2334)	\$0	R
No adjustment necessary.	\$0	NR
	0.00	
Subtotal Legislative Changes	\$0	R
	\$0	NR
	0.00	

Receipts:

Air Quality Fuel Tax (2334)	\$0	R
Diverts \$1 million of the fuel tax allocated to the Water and Air Account pursuant to G.S. 105-449.125 from Account to the General Fund in FY 2014-15. Directs the Division of Air Quality to use the cash balance for operations to replace the diverted revenue for one-year.	(\$1,000,000)	NR
Subtotal Legislative Changes	\$0	R
	(\$1,000,000)	NR

Revised Total Requirements	\$9,678,445
Revised Total Receipts	\$8,664,348
Change in Fund Balance	(\$1,014,097)
Total Positions	99.60

Unappropriated Balance Remaining	\$661,535
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DENR - Marine Conservation Fund

Budget Code: 24303

	FY 2014-15
Beginning Unreserved Fund Balance	\$228,527
Recommended Budget	
Requirements	\$208,776
Receipts	\$47,737
Positions	0.00

Legislative Changes

Requirements:

North Carolina Marine Conservation Fund (2990)	(\$19,557) R
Adjusts program requirements to reflect the loss of budgeted interest earnings that are being redirected to the General Fund on a permanent basis.	\$0 NR
	0.00
Subtotal Legislative Changes	(\$19,557) R
	\$0 NR
	0.00

Receipts:

North Carolina Marine Conservation Fund (2990)	(\$19,557) R
Redirects interest earnings credited to the Marine Conservation Fund to the General Fund on a permanent basis. Interest earnings are estimated to be \$990 annually.	\$0 NR
Subtotal Legislative Changes	(\$19,557) R
	\$0 NR

Revised Total Requirements	\$189,219
Revised Total Receipts	\$28,180
Change in Fund Balance	(\$161,039)
Total Positions	0.00

Unappropriated Balance Remaining	\$67,488
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DENR - Wetlands Trust Fund

Budget Code: 24304

	FY 2014-15
Beginning Unreserved Fund Balance	\$24,634,379
Recommended Budget	
Requirements	\$67,527,794
Receipts	\$69,094,523
Positions	9.00

Legislative Changes

Requirements:

Ecosystem Restoration Fund (various)	(\$4,554) R
Adjusts program requirements to reflect the loss of budgeted interest earnings that are being redirected to the General Fund on a permanent basis.	\$0 NR
	0.00
Subtotal Legislative Changes	(\$4,554) R
	\$0 NR
	0.00

Receipts:

Ecosystem Restoration Fund (various)	(\$4,554) R
Redirects interest earnings credited to the Ecosystem Restoration Fund to the General Fund on a permanent basis. Interest earnings are estimated to be \$98,110 annually.	\$0 NR
Subtotal Legislative Changes	(\$4,554) R
	\$0 NR

Revised Total Requirements	\$67,523,240
Revised Total Receipts	\$69,089,969
Change in Fund Balance	\$1,566,729
Total Positions	9.00

Unappropriated Balance Remaining	\$26,201,108
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DENR - Clean Water Management Fund

Budget Code: 24305

	FY 2014-15
Beginning Unreserved Fund Balance	\$26,968,832
Recommended Budget	
Requirements	\$8,686,976
Receipts	\$8,686,976
Positions	0.00

Legislative Changes

Requirements:

Clean Water Management Trust Fund (2002)	(\$260,000) R
Adjusts program requirements to reflect the loss of budgeted interest earnings that are being redirected to the General Fund on a permanent basis.	\$0 NR
	0.00
Subtotal Legislative Changes	(\$260,000) R
	\$0 NR
	0.00

Receipts:

Clean Water Management Trust Fund (2002)	(\$260,000) R
Redirects interest earnings credited to the Clean Water Management Trust Fund to the General Fund on a permanent basis. Interest earnings are estimated to be \$256,590 annually.	\$0 NR
Subtotal Legislative Changes	(\$260,000) R
	\$0 NR

Revised Total Requirements	\$8,426,976
Revised Total Receipts	\$8,426,976
Change in Fund Balance	\$0
Total Positions	0.00

Unappropriated Balance Remaining	\$26,968,832
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DENR - Dry Cleaning Solvent Tax

Budget Code: 24306

	FY 2014-15
Beginning Unreserved Fund Balance	\$9,613,324
Recommended Budget	
Requirements	\$16,108,204
Receipts	\$15,235,048
Positions	18.80

Legislative Changes

Requirements:

Dry-Cleaning Solvent Cleanup Fund (2127)	(\$1,136,500) R
Adjusts program requirements to reflect the loss of budgeted interest earnings that are being redirected to the General Fund on a permanent basis.	\$0 NR
	0.00
Subtotal Legislative Changes	(\$1,136,500) R
	\$0 NR
	0.00

Receipts:

Dry-Cleaning Solvent Cleanup Fund (2127)	(\$1,136,500) R
Redirects interest earnings credited to the Dry-Cleaning Solvent Cleanup Fund to the General Fund on a permanent basis. Interest earnings are estimated to be \$46,935 annually.	\$0 NR
Subtotal Legislative Changes	(\$1,136,500) R
	\$0 NR

Revised Total Requirements	\$14,971,704
Revised Total Receipts	\$14,098,548
Change in Fund Balance	(\$873,156)
Total Positions	18.80

Unappropriated Balance Remaining	\$8,740,168
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DENR - Parks and Recreation Trust Fund

Budget Code: 24309

	FY 2014-15
Beginning Unreserved Fund Balance	\$24,793,469
Recommended Budget	
Requirements	\$11,968,082
Receipts	\$13,523,231
Positions	0.00

Legislative Changes

Requirements:

Parks and Recreation Trust Fund Interest (2235)	(\$130,000) R
Adjusts program requirements to reflect the loss of budgeted interest earnings that are being redirected to the General Fund on a permanent basis.	\$0 NR
	0.00
Subtotal Legislative Changes	(\$130,000) R
	\$0 NR
	0.00

Receipts:

Parks and Recreation Trust Fund Interest (2235)	(\$130,000) R
Redirects interest earnings credited to the Parks and Recreation Trust Fund to the General Fund on a permanent basis. Interest earnings are estimated to be \$106,120 annually.	\$0 NR
Subtotal Legislative Changes	(\$130,000) R
	\$0 NR

Revised Total Requirements	\$11,838,082
Revised Total Receipts	\$13,393,231
Change in Fund Balance	\$1,555,149
Total Positions	0.00

Unappropriated Balance Remaining	\$26,348,618
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DENR - Special Interest Bearing

Budget Code: 24318

	FY 2014-15
Beginning Unreserved Fund Balance	\$796,808
Recommended Budget	
Requirements	\$400,000
Receipts	\$400,000
Positions	1.00

Legislative Changes

Requirements:

Bernard Allen Drinking Water Fund (2054)	\$0	R
No adjustment necessary.	\$0	NR
	0.00	
Subtotal Legislative Changes	\$0	R
	\$0	NR
	0.00	

Receipts:

Bernard Allen Drinking Water Fund (2054)	\$0	R
Redirects interest earnings credited to the Bernard Allen Memorial Emergency Drinking Water Fund to the General Fund on a permanent basis. Interest earnings are estimated to be \$2,725 annually. No impact to the Fund is anticipated because interest earnings were not budgeted to be spent.	\$0	NR
Subtotal Legislative Changes	\$0	R
	\$0	NR

Revised Total Requirements	\$400,000
Revised Total Receipts	\$400,000
Change in Fund Balance	\$0
Total Positions	1.00

Unappropriated Balance Remaining	\$796,808
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DENR - Marine Resources Fund

Budget Code: 24323

	FY 2014-15
Beginning Unreserved Fund Balance	\$9,845,087
Recommended Budget	
Requirements	\$10,761,101
Receipts	\$8,499,708
Positions	25.00

Legislative Changes

Requirements:

Marine Resources Fund (various)	(\$316,276) R
Adjusts program requirements to reflect the loss of budgeted interest earnings that are being redirected to the General Fund on a permanent basis.	\$0 NR
	0.00
Subtotal Legislative Changes	(\$316,276) R
	\$0 NR
	0.00

Receipts:

Marine Resources Fund (various)	(\$316,276) R
Redirects interest earnings credited to the Marine Resources Fund to the General Fund on a permanent basis. Interest earnings are estimated to be \$47,465 annually.	\$0 NR
Subtotal Legislative Changes	(\$316,276) R
	\$0 NR

Revised Total Requirements	\$10,444,825
Revised Total Receipts	\$8,183,432
Change in Fund Balance	(\$2,261,393)
Total Positions	25.00

Unappropriated Balance Remaining	\$7,583,694
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DENR - Waste Water Operating Training

Budget Code: 64301

	FY 2014-15
Beginning Unreserved Fund Balance	\$581,192
Recommended Budget	
Requirements	\$658,489
Receipts	\$568,384
Positions	7.00

Legislative Changes

Requirements:

Water Pollution Control System Account (6342)	(\$19,125) R
Adjusts program requirements to reflect the loss of budgeted interest earnings that are being redirected to the General Fund on a permanent basis.	\$0 NR
	0.00
Subtotal Legislative Changes	(\$19,125) R
	\$0 NR
	0.00

Receipts:

Water Pollution Control System Account (6342)	(\$19,125) R
Redirects interest earnings credited to the Water Pollution Control System Account to the General Fund on a permanent basis. Interest earnings are estimated to be \$2,130 by annually.	\$0 NR
Subtotal Legislative Changes	(\$19,125) R
	\$0 NR

Revised Total Requirements	\$639,364
Revised Total Receipts	\$549,259
Change in Fund Balance	(\$90,105)
Total Positions	7.00

Unappropriated Balance Remaining	\$491,087
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DENR - Commercial LUST Cleanup

Budget Code: 64305

	FY 2014-15
Beginning Unreserved Fund Balance	\$87,735,200
Recommended Budget	
Requirements	\$31,408,298
Receipts	\$29,881,200
Positions	14.20

Legislative Changes

Requirements:

Brownfield Superfund Fund (6376)	\$0	R
No adjustment necessary.		
	\$0	NR
	0.00	
Commercial Leaking Petroleum UST Fund (6370)	(\$30,000)	R
Adjusts program requirements to reflect the loss of budgeted interest earnings that are being redirected to the General Fund on a permanent basis.		
	\$0	NR
	0.00	
Emergency Response Fund (6373)	\$0	R
No adjustment necessary.		
	\$0	NR
	0.00	
Inactive Hazardous Sites Cleanup Fund (6372)	\$0	R
No adjustment necessary.		
	\$0	NR
	0.00	
Inactive Hazardous Sites Fund -SB 1492 (6379)	\$0	R
No adjustment necessary.		
	\$0	NR
	0.00	

FY 2014-15

Administrative Funds (6379)	(\$1,000,000)	R
Transfers a portion of the solid waste disposal tax allowed for administrative expenses to the Division of Waste Management's General Fund budget to support positions in the Solid Waste and Hazardous Waste sections. There is a corresponding special provision that increases the administrative allowance.	\$0	NR
	0.00	
Noncommercial Leaking Petroleum UST Fund (6371)	(\$70,000)	R
Adjusts program requirements to reflect the loss of budgeted interest earnings that are being redirected to the General Fund on a permanent basis.	\$0	NR
	0.00	
Superfund Cost Share (6375)	(\$28,561)	R
Adjusts program requirements to reflect the loss of budgeted interest earnings that are being redirected to the General Fund on a permanent basis.	\$0	NR
	0.00	
Subtotal Legislative Changes	(\$1,128,561)	R
	\$0	NR
	0.00	

Receipts:

Brownfield Superfund Fund (6376)	\$0	R
Redirects interest earnings credited to the Brownfield Superfund Fund to the General Fund on a permanent basis. Interest earnings are estimated to be \$3,075 annually. No impact to the Fund is anticipated because interest earnings were not budgeted to be spent.	\$0	NR
Commercial Leaking Petroleum UST Fund (6370)	(\$30,000)	R
Redirects interest earnings credited to the Commercial Leaking Petroleum Underground Storage Tank Cleanup Fund to the General Fund on a permanent basis. Interest earnings are estimated to be \$179,215 annually.	\$0	NR

FY 2014-15

Emergency Response Fund (6373)	\$0	R
Redirects interest earnings credited to the Emergency Response Fund to the General Fund on a permanent basis. Interest earnings are estimated to be \$2,210 annually. No impact to the Fund is anticipated because interest earnings were not budgeted to be spent.	\$0	NR
Inactive Hazardous Sites Cleanup Fund (6372)	\$0	R
Redirects interest earnings credited to the Inactive Hazardous Sites Cleanup Fund to the General Fund on a permanent basis. Interest earnings are estimated to be \$23,980 annually. No impact to the Fund is anticipated because interest earnings were not budgeted to be spent.	\$0	NR
Inactive Hazardous Sites Cleanup Fund (6379)	\$0	R
Redirects interest earnings credited to the Inactive Hazardous Sites Cleanup Fund to the General Fund on a permanent basis. Interest earnings are estimated to be \$137,445 annually. No impact to the Fund is anticipated because interest earnings were not budgeted to be spent.	\$0	NR
Noncommercial Leaking Petroleum UST Fund (6371)	(\$70,000)	R
Redirects interest earnings created to the Noncommercial Leaking Petroleum Underground Storage Tank Cleanup Fund to the General Fund on a permanent basis. Interest earnings are estimated to be \$2,400 annually.	\$0	NR
Superfund Cost Share (6375)	(\$28,561)	R
Redirects interest earnings credited to the Superfund Cost Share Fund to the General Fund on a permanent basis. Interest earnings are estimated to be \$29,280 annually.	\$0	NR
Subtotal Legislative Changes	(\$128,561)	R
	\$0	NR

Revised Total Requirements	\$30,279,737
Revised Total Receipts	\$29,752,639
Change in Fund Balance	(\$527,098)
Total Positions	14.20

Unappropriated Balance Remaining	\$87,208,102
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DENR - Drinking Water State Revolving Fund

Budget Code: 64320

	FY 2014-15
Beginning Unreserved Fund Balance	\$88,864,479
Recommended Budget	
Requirements	\$53,707,408
Receipts	\$46,934,583
Positions	47.20

Legislative Changes

Requirements:

Drinking Water State Revolving Fund (6D12)	\$0	R
Transfers \$800,000 from the cash balance to the Division of Water Infrastructure in Department of Environment and Natural Resources. These funds were not needed to meet the State match in FY 2013-14.	\$800,000	NR
	0.00	

Subtotal Legislative Changes	\$0	R
	\$800,000	NR
	0.00	

Receipts:

Drinking Water State Revolving Fund (6D12)	\$0	R
No adjustment necessary.	\$0	NR

Subtotal Legislative Changes	\$0	R
	\$0	NR

Revised Total Requirements	\$54,507,408
Revised Total Receipts	\$46,934,583
Change in Fund Balance	(\$7,572,825)
Total Positions	47.20

Unappropriated Balance Remaining	\$81,291,654
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DENR - Energy Stripper Well

Budget Code: 64327

FY 2014-15

Beginning Unreserved Fund Balance

\$2,037,967

Recommended Budget

Requirements	\$0
Receipts	\$0
Positions	0.00

Legislative Changes

Requirements:

Petroleum Violation Escrow Funds (693E)

Transfers \$1,000,000 from the cash balance in the Stripper Well fund to the Division of Energy, Mineral and Land Resources to offset the General Fund support of the university energy centers and the Utility Savings Initiative.

	\$0	R
	\$1,000,000	NR
	0.00	

Subtotal Legislative Changes

	\$0	R
	\$1,000,000	NR
	0.00	

Receipts:

Petroleum Violation Escrow Funds (693E)

No adjustment necessary.

	\$0	R
	\$0	NR

Subtotal Legislative Changes

	\$0	R
	\$0	NR

Revised Total Requirements	\$1,000,000
Revised Total Receipts	\$0
Change in Fund Balance	(\$1,000,000)
Total Positions	0.00

Unappropriated Balance Remaining	\$1,037,967
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Motor Boat Interest Bearing

Budget Code: 24352

	FY 2014-15
Beginning Unreserved Fund Balance	\$542,450
Recommended Budget	
Requirements	\$10,777,735
Receipts	\$10,777,735
Positions	0.00

Legislative Changes

Requirements:

Boating Safety Account (2314)		R	
Transfers \$400,000 of the cash balance to Wildlife Resources Commission's General Fund budget to be used for the Lake Waccamaw Hydrilla Eradication Project.	\$400,000		NR
	0.00		
Subtotal Legislative Changes		R	
	\$400,000		NR
	0.00		

Receipts:

Boating Safety Account (2314)		\$0	R
No adjustment necessary.		\$0	NR
Subtotal Legislative Changes		\$0	R
		\$0	NR

Revised Total Requirements	
Revised Total Receipts	\$10,777,735
Change in Fund Balance	
Total Positions	0.00

Unappropriated Balance Remaining

JUSTICE
&
PUBLIC SAFETY
Section I

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Public Safety

GENERAL FUND

FY 14-15

Total Budget Enacted 2013 Session

\$1,690,014,006

Legislative Changes

A. Reserve for Salaries & Benefits

- | | | |
|--|---------------------|----------|
| <p>1 Compensation Increase Reserve</p> <p>Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees. Employees eligible for a step increase through a statutory pay plan are provided a step increase in lieu of the \$1,000 salary and benefit increase.</p> | <p>\$24,604,298</p> | <p>R</p> |
| <p>2 Experience-based Step Increase Reserve - State Highway Patrol</p> <p>Provides funds for one experience-based step increase for all step-eligible State Highway Patrol Troopers. State Highway Patrol Troopers who are not eligible for a step are provided a \$1,000 salary and benefit increase (\$809 salary increase).</p> | <p>\$1,709,254</p> | <p>R</p> |
| <p>3 State Retirement System Contributions</p> <p>Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million.</p> | <p>\$3,649,390</p> | <p>R</p> |

B. Department-wide

- | | | |
|--|----------------------|-----------|
| <p>4 Management Flexibility Reduction</p> <p>Allows the Department to identify additional savings on a nonrecurring basis for FY 2014-15. These reductions will be replaced by the increased savings associated with prison closures and other budget changes that will be annualized in FY 2015-16. This amount is 0.5% of the total Department of Public Safety budget.</p> | <p>(\$6,331,032)</p> | <p>NR</p> |
| <p>5 State Crime Laboratory</p> <p>Transfers the State Crime Laboratory to the Department of Public Safety.</p> | <p>\$15,023,865</p> | <p>R</p> |
- 193.50

C. Administration

6 Various Administrative Reductions (\$625,520) R
 Eliminates 3.5 FTE positions that have been vacant for a year or more. The positions are: -3.50

Fund Code	Position Number	Position Title	Position Cost
1100	60056105	Office Assistant IV	\$44,833
1100	60084591	Processing Assistant III	\$38,651
1100	60001065	Personnel Analyst II	\$80,958
1250	60000343	Office Assistant IV	\$24,739

This item also makes reductions totaling \$436,339 to various operating line items within the Division of Administration, for a total reduction of \$625,520. The total budget for the Division of Administration (including External Affairs, the Governor's Crime Commission and Victims' Services) after this 1.1% reduction is \$55,961,766.

7 NCVAN (1170) (\$112,725) R
 Eliminates the grant to the NC Victims Assistance Network. This is the last direct appropriation to a non-profit in the Department's budget; the others were eliminated in the 2011 budget. This reduction will have no impact on services provided by State agencies to victims of crime.

D. Law Enforcement

8 State Highway Patrol Vacant Trooper Positions (\$3,817,125) R
 Eliminates 75 vacant trooper positions in the State Highway Patrol (SHP). As of March 2014, there were 134.5 vacant trooper positions, of which 56 had been vacant for longer than six months. These positions are budgeted at the starting trooper salary of \$35,700, for a total position cost of \$50,895 each including retirement, social security, and health benefits. After this reduction, there will be 1,719 sworn law enforcement positions in the Highway Patrol. -75.00

9 State Highway Patrol Uniforms (1411) \$823,984 R
 Increases funding for State Highway Patrol uniforms to provide adequate resources for Troopers. After the reduction in Item 5, there are a total of 1,651 General Fund supported troopers (68 troopers are supported by federal funds). Uniform expenditures for Troopers are \$985 each for 1,390 traditional patrol and \$1,008 each for 261 Size and Weight troopers. The total annual cost is \$1,632,238. The Authorized Budget for FY 2014-15 appropriates \$808,254 for this purpose, leaving a shortfall of \$823,984. This item increases the budget for uniforms by 102% to fully fund SHP uniform needs.

10 State Highway Patrol Vehicles (1411) \$456,754 R

Provides additional funds for the purchase of State Highway Patrol Vehicles. This is a 14% increase from the FY 2014-15 Authorized General Fund appropriation of \$3,265,619. The total amount available for SHP vehicle purchases in FY 2014-15 will be \$5,995,231 (\$3,722,373 from the General Fund and \$2,272,858 from receipts from the sale of used vehicles).

11 State Bureau of Investigation (SBI) \$31,590,747 R

Transfers the State Bureau of Investigation from the Department of Justice to the Department of Public Safety (DPS), Law Enforcement Division. DPS is directed to identify \$750,000 in savings in FY 2014-15 from the merger. Consolidation of all of the State's major law enforcement agencies and criminal information sections under the Department of Public Safety should result in additional savings in the future.

445.00

12 ALE District Office Consolidation (1401) (\$231,439) R

Reduces the budget for Alcohol Law Enforcement (ALE) district offices. These offices can be co-located with SBI offices, producing savings in rent and lease costs, utilities, and maintenance agreements. This reduction is a prorated amount based on closures effective October 1, 2014. FY 2015-16 annualized General Fund savings will be \$308,585, a reduction of 4% to the General Fund appropriation of \$6,941,552 for ALE.

13 ALE Positions (1401) \$724,454 R

Restores funding for 13 ALE positions that were transferred to nonrecurring receipt support by the Department to meet a management flexibility reduction included in the 2013 budget.

13.00

E. Emergency Management and National Guard

14 Geodetic Survey Receipts (1511) (\$89,489) R

Shifts 1.25 FTE and some operating costs to receipt support. Geodetic Survey has a total budget of \$1,209,391. This item increases budgeted receipts and reduces General Fund support for the program. The budget will be as follows:

-1.25

Total Requirements: \$1,209,391
 Less Receipts: \$ 356,899
 Net General Fund Approp.: \$ 852,492

15 Geodetic Survey Transfer (1511) (\$852,492) R

Transfers the Geodetic Survey function from the Division of Emergency Management to the Office of the State Chief Information Officer.

-12.67

16 Geospatial and Technology Management (GTM) (1504) (\$6,002) R

Transfers the Geospatial and Technology Management (GTM) section of the Division of Emergency Management to the Office of the State Chief Information Officer. GTM is primarily receipt supported and includes floodplain mapping. The total certified budget for FY 2014-15 is:

Total Requirements: \$30,950,905
 Less Receipts: \$30,944,903
 Net General Fund Approp.: \$ 6,002

17 Joint Forces Headquarters Building Repairs (1500) (\$89,488) R

Reduces Emergency Management's budget for building repairs at its Joint Forces Headquarters facility by 44%. \$111,632 remains in the budget for this purpose.

18 Hazardous Materials and Regional Response Teams (1506) (\$172,818) R

Creates a fee structure for facilities that store or process hazardous materials. Funds generated by the fee will be used to fund the Hazardous Materials Database for use by first responders and to support the seven Regional Response Teams (RRT) for Hazardous Materials located in Wilmington, Williamston, Raleigh, Fayetteville, Greensboro, Charlotte and Asheville. The RRT are currently funded by a General Fund appropriation that supports a program coordinator and two emergency management officers, as well as operating costs for the teams. FY 2015-16 annualized General Fund savings will be \$691,277. FY 2014-15 savings are prorated to account for delayed collections in the first year of implementation. -3.00

19 National Guard Adjutant General's Office (1600) (\$11,000) R

Reduces the National Guard's Adjutant General's administrative services budget by \$6,000 and the employee travel meal account by \$5,000. The total reduction is a 0.23% reduction to the Adjutant General's budget, leaving \$4,690,442.

F. Adult Correction and Juvenile Justice - Prisons

20 Regional Office and Female Command (\$477,134) R

Eliminates a prison regional office and the female command and distributes the prisons into four remaining regional offices. Sixteen prisons have closed since 2009 and the four regional offices are capable of supporting the remaining facilities. The female command will end operations effective November 1, 2014, and a regional office for male prisons will close March 1, 2015. FY 2015-16 annualized General Fund savings will be \$1,017,778. -13.00

- 21 Chaplains**

Eliminates the following Chaplain positions:

Fund Code	Position Number	Title	Position Cost
1305	60064442	Chaplain Coord.	\$71,505
1345	60067018	Clinical Chaplain I	\$53,720
1345	60064443	Clinical Chaplain II	\$64,124
1345	60067065	Clinical Chaplain II	\$55,183

(\$244,532)

R

-4.00
- 22 Tillery CC and Caledonia CI**

Consolidates the management of Tillery Correctional Center (CC) and Caledonia Correctional Institution (CI) in Halifax County. The prisons are adjacent to one another and Tillery CC supports the mission of Caledonia CI.

(\$1,565,182)

R

-32.00
- 23 Operating and Vacant Position Reduction**

Reduces line items in supplies (\$28,000), medical contracts and equipment (\$258,196), PC software (\$200,000), and training (\$38,299). This item also eliminates 11 vacant health care-related positions at Central Prison, NC Correctional Institution for Women and Pender Correctional Institution (\$532,353).

(\$1,056,848)

R

-11.00
- 24 Prison Misdemeanants**

Eliminates all misdemeanants from State prison. Currently, offenders with sentences between 91-180 days serve their sentence in county jails supported by the Statewide Misdemeanant Confinement Program (SMCP). SMCP is managed by the NC Sheriffs' Association and pays counties for housing, transportation, and medical care for offenders. SMCP will support approximately 1,000 additional misdemeanants with sentences greater than 180 days. The misdemeanants will shift to county jails with convictions on or after October 1, 2014, and DWI offenders will shift on or after January 1, 2015. SMCP will also expand to provide appropriate treatment for DWI offenders. Currently, North Carolina is one of three states that house misdemeanants in the state prison system without exceptional circumstances. FY 2015-16 annualized General Fund savings will be \$4,374,854.

(\$2,662,357)

R
- 25 Fountain Correctional Center for Women (CCW)**

Closes Fountain CCW, a 531-bed minimum-custody unit in Nash County, effective October 1, 2014. This closure is part of the plan to convert Eastern Correctional Institution to a female minimum-custody facility. FY 2015-16 annualized General Fund savings will be \$8,794,623.

(\$4,397,312)

R

-176.00
- 26 North Piedmont CCW**

Closes North Piedmont Correctional Center for Women, a 136-bed minimum-custody unit in Davidson County, effective August 1, 2014. This closure is part of the plan to convert Eastern Correctional Institution to a female minimum-custody facility. FY 2015-16 annualized General Fund savings will be \$2,143,740.

(\$1,965,095)

R

-44.00

Senate Subcommittee on Justice and Public Safety

FY 14-15

27 Eastern CI (\$2,560,955) R
 Converts Eastern Correctional Institution, a 429-bed medium-custody male facility in Greene County, to a female minimum-custody facility effective November 1, 2014. This conversion is part of the Division's prison closure plan and is dependent on the elimination of all misdemeanants from State prison. FY 2015-16 annualized General Fund savings will be \$4,336,433. -102.00

G. Adult Correction and Juvenile Justice - Community Corrections

28 Burke County Confinement in Response to Violation (CRV) Facility \$3,743,335 R
 Provides funding for a facility dedicated to housing offenders who have violated the terms of their probation and are subject to a mandatory 90-day sentence as directed by the Justice Reinvestment Act.

29 Robeson County CRV Facility \$3,743,335 R
 Provides funding for a facility dedicated to housing offenders who have violated the terms of their probation and are subject to a mandatory 90-day sentence as directed by the Justice Reinvestment Act.

30 Vehicles for Probation/Parole Officers (1370) \$1,829,300 NR
 Provides funds to purchase new vehicles required for 100 new Probation/Parole Officer positions funded in the 2014-15 budget. Funds will be transferred to the Department of Administration Motor Fleet Management Division to purchase the vehicles, which will then be leased to the Department of Public Safety. Funds for the annual lease costs of each vehicle were included in the position costs for 175 new Probation/Parole Officers authorized by the 2013-15 budget.

Total Legislative Changes	\$65,131,903	R
	(\$4,501,732)	NR
Total Position Changes	174.08	
Revised Budget	\$1,750,644,177	

Justice

GENERAL FUND

FY 14-15

Total Budget Enacted 2013 Session

\$82,308,926

Legislative Changes

A. Reserve for Salaries & Benefits

31 Compensation Increase Reserve \$314,759 R
Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees.

32 State Retirement System Contributions \$70,774 R
Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million.

B. Department-wide

33 Management Flexibility Reserve (\$1,000,000) R
Directs the Department to identify efficiencies in its operations by eliminating positions, transitioning expenditures to receipt support, or reducing operating line items such as travel, purchased services, and supplies. This is a 2.8% reduction to the Department's remaining budget after transfer of the State Bureau of Investigation and the State Crime Laboratory.

C. State Bureau of Investigation (1300)

34 Transfer to Department of Public Safety (\$32,340,747) R
Transfers the State Bureau of Investigation from the Department of Justice to the Department of Public Safety (DPS), Law Enforcement Division. DPS is directed to identify \$750,000 in savings in FY 2014-15 from the merger. Consolidation of all of the State's major law enforcement agencies and criminal information sections under the Department of Public Safety should result in additional savings in the future.

-445.00

D. State Crime Laboratory (1400)

35 Toxicology Outsourcing Funds (\$250,000) R
Reduces the appropriation for private toxicology testing by 33% to \$500,000.

Senate Subcommittee on Justice and Public Safety

FY 14-15

36 Transfer to DPS

Transfers the State Crime Laboratory to the Department of Public Safety.

(\$15,023,865) R

-193.50

Total Legislative Changes

(\$48,229,079) R

Total Position Changes

-638.50

Revised Budget

\$34,079,847

Judicial - Indigent Defense

GENERAL FUND

FY 14-15

Total Budget Enacted 2013 Session

\$111,357,264

Legislative Changes

A. Reserve for Salaries & Benefits

37 Compensation Increase Reserve

\$524,880 R

Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees.

38 State Retirement System Contributions

\$124,866 R

Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million.

B. Indigent Defense Service (1380)

39 Administrative Reduction for IDS

(\$233,190) R

Reduces the appropriation for the IDS administrative division by 10%, leaving \$2,102,388. This reduction includes the elimination of the Public Defender Administrator (65014895) with a budgeted salary of \$79,006, for a total position cost reduction of \$102,091.

-1.00

Total Legislative Changes

\$416,556 R

Total Position Changes

-1.00

Revised Budget

\$111,773,820

Judicial

GENERAL FUND

FY 14-15

Total Budget Enacted 2013 Session

\$456,426,252

Legislative Changes

A. Reserve for Salaries & Benefits

40 Compensation Increase Reserve	\$2,970,428	R
Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees. Employees eligible for a step increase through a statutory pay plan are provided a step increase in lieu of the \$1,000 salary and benefit increase.		
41 Experience-based Step Increase Reserve - Assistant & Deputy Clerks of Superior Court	\$3,621,172	R
Provides funds for one experience-based step increase for all step-eligible Assistant and Deputy Clerks of Superior Court. Assistant and Deputy Clerks of Superior Court who are not eligible for a step are provided a \$1,000 salary and benefit increase (\$809 salary increase).		
42 Experience-based Step Increase Reserve - Magistrates	\$2,570,088	R
Provides funds for one experience-based step increase for all step-eligible Magistrates. Magistrates who are not eligible for a step are provided a \$1,000 salary and benefit increase (\$809 salary increase).		
43 State Retirement System Contributions	\$926,036	R
Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million.		
44 Consolidated Judicial Retirement System	(\$686,000)	R
Reduces the State's contribution to the Consolidated Judicial Retirement System for FY 2014-15 to match the Annual Required Contribution after providing a 0.8% cost-of-living adjustment to retirees.		

B. Administration and Service (1100)

45 Technology Services	(\$3,737,904)	R
Reduces the appropriation for the Administrative Office of the Court's (AOC) Technology Services Division by 24%, leaving \$11,858,113.		

Senate Subcommittee on Justice and Public Safety

FY 14-15

46 Administrative Reduction for AOC

(\$1,489,582) R

Reduces the appropriation for the remaining areas under the AOC Administrative and Service budget code other than Technology Services by 5%, leaving \$28,208,088.

C. Pass-throughs (1800)

47 Access to Civil Justice Grant

(\$671,250) R

Eliminates the Access to Civil Justice funds, which pass through AOC's budget to the NC State Bar.

Total Legislative Changes

\$3,502,988 R

Total Position Changes

Revised Budget

\$459,929,240

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**GENERAL
GOVERNMENT
Section J**

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(1.0) Cultural Resources

GENERAL FUND

Total Budget Enacted 2013 Session

FY 14-15
\$63,008,100

Legislative Changes

Reserve for Salaries & Benefits

- | | | |
|---|-----------|---|
| 1 Compensation Increase Reserve | \$629,536 | R |
| Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees. | | |
|
 | | |
| 2 State Retirement System Contributions | \$95,433 | R |
| Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million. | | |

Agency Wide

- | | | | | | | | | | | | | | | | | | |
|--|--|----------|----------|---------------------|----------|----------|--|----------|----------|----------------------------|----------|----------|--------------------|----------|----------|------------------------|----------|
| 3 Position Eliminations | (\$255,000) | R | | | | | | | | | | | | | | | |
| Eliminates vacant positions across the Department of Cultural Resources. These positions have been vacant for over 100 days. | | | | | | | | | | | | | | | | | |
| | -5.00 | | | | | | | | | | | | | | | | |
| <table style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <tr> <td style="width: 15%;">60083555</td> <td style="width: 45%;">Development Manager</td> <td style="width: 40%; text-align: right;">\$52,342</td> </tr> <tr> <td>60083615</td> <td>History Preservation and Restoration Specialist II</td> <td style="text-align: right;">\$43,751</td> </tr> <tr> <td>65010816</td> <td>Museum Librarian/Archivist</td> <td style="text-align: right;">\$33,190</td> </tr> <tr> <td>60083880</td> <td>Library Supervisor</td> <td style="text-align: right;">\$45,420</td> </tr> <tr> <td>60083380</td> <td>Processing Assistant V</td> <td style="text-align: right;">\$34,881</td> </tr> </table> | | | 60083555 | Development Manager | \$52,342 | 60083615 | History Preservation and Restoration Specialist II | \$43,751 | 65010816 | Museum Librarian/Archivist | \$33,190 | 60083880 | Library Supervisor | \$45,420 | 60083380 | Processing Assistant V | \$34,881 |
| 60083555 | Development Manager | \$52,342 | | | | | | | | | | | | | | | |
| 60083615 | History Preservation and Restoration Specialist II | \$43,751 | | | | | | | | | | | | | | | |
| 65010816 | Museum Librarian/Archivist | \$33,190 | | | | | | | | | | | | | | | |
| 60083880 | Library Supervisor | \$45,420 | | | | | | | | | | | | | | | |
| 60083380 | Processing Assistant V | \$34,881 | | | | | | | | | | | | | | | |

Archives and Records (1230)

- | | | |
|--|------------|---|
| 4 Operations Reduction | (\$65,000) | R |
| Reduces funds appropriated for operations by 2% within the Archives and Records Division and leaves a total budget of \$2,953,572. | | |

Historic Publications (1220)

5 Historic Publications	(\$247,449)	R
Reduces staff and operations funds for the Historic Publications Unit. There remains approximately \$173,484 in the account to be used to continue producing the publications that are required in G.S. 121-4.		
	-4.00	
60083324 Editor I \$39,761		
60083313 Administrator \$61,676		
60083316 Editor III \$44,600		
60083322 Administrative Secretary II \$38,947		

Historic Sites (1241)

6 Position Elimination	(\$63,870)	R
Eliminates an educator position located in Kinston vacated by a retirement.		
	-1.00	
60084315 Education Coordinator \$47,887		

7 House in the Horseshoe	(\$127,551)	R
Eliminates funds available for House in the Horseshoe, and closes this historic site effective July 1, 2014.		
	-3.00	
60083479 Manager I \$36,248		
60083480 Site Assistant \$25,159		
60083481 Interpreter I \$25,375		

NC Museum of Art (1320)

8 Museum of Art	(\$123,925)	R
Reduces funds appropriated to the Museum of Art by 2%; the budget for FY 2014-15 will be \$6.4 million.		

NC Museum of History (1500)

9 Museum of History	(\$114,961)	R
Reduces funds appropriated to the Museum of History by 2%. State appropriations for the museum will be \$5.6 million for FY 2014-15.		

Statewide Library Programs and Grants (1480)

10 Library Grants		(\$284,000)	R
	Reduces funds appropriated for grants to local libraries by 2%. There remains \$13,207,033 in State appropriations and \$4,381,126 available in federal grants for FY 2014-15.		

Total Legislative Changes	(\$556,787)	R
Total Position Changes	-13.00	
Revised Budget	\$62,451,313	

Senate Subcommittee on General Government

(2.0) Cultural Resources - Roanoke Island
Commission

GENERAL FUND

Total Budget Enacted 2013 Session

FY 14-15
\$450,000

Legislative Changes

Roanoke Island Commission

11 Operations

(\$9,000) R

Reduces funds appropriated to The Roanoke Island Commission for operation of the Roanoke Island Festival Park by 2%. The State appropriations for FY 2014-15 will be \$441,000.

Total Legislative Changes

(\$9,000) R

Total Position Changes

Revised Budget

\$441,000

(3.0) Insurance

GENERAL FUND

Total Budget Enacted 2013 Session

FY 14-15
\$38,003,624

Legislative Changes

Reserve for Salaries & Benefits

12 Compensation Increase Reserve \$368,001 R
 Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees.

13 State Retirement System Contributions \$86,826 R
 Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million.

Administration (1100)

14 Operations (\$20,000) R
 Reduces funds available for miscellaneous contracts throughout Administration, by .36% and leaves \$5,570,747 remaining for FY 2014-15.

Agency Wide

15 Position Eliminations (\$433,955) R
 Eliminates 4 vacant and 3.8 filled positions. The remaining amount is \$34,206,053 in personal services for FY 2014-15. -7.80

- 60013402 Office Assistant IV \$26,013
- 60013409 Administrative Assistant I \$29,856
- 60013487 Program Assistant V \$27,875
- 60013668 Insurance Company Examiner \$54,648
- 60013694 Insurance Co. Examiner \$69,401
- 60013467 Office Assistant IV \$34,518
- 60013489 Office Assistant III \$29,745
- 60013531 Insurance Regulations Analyst III (.8 FTE) \$47,116

Senate Subcommittee on General Government

FY 14-15

16 Over-realized Receipts

(\$200,000) R

Reduces appropriations based upon anticipated additional receipts from collection agencies for license fees.

Office of State Fire Marshal (1500)

17 Communications, Printing, and Various Line Items

(\$200,000) R

Reduces funds appropriated for the purpose of communications, data, and programming and brings the budget closer to actual expenditures of prior years. The FY 2014-15 State appropriations for 5328XX accounts will be approximately \$800,000.

Total Legislative Changes

(\$399,128) R

Total Position Changes

-7.80

Revised Budget

\$37,604,496

(5.0) State Board of Elections

GENERAL FUND

Total Budget Enacted 2013 Session

FY 14-15
\$5,693,244

Legislative Changes

Reserve for Salaries & Benefits

18 Compensation Increase Reserve	\$51,013	R
Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees.		

19 State Retirement System Contributions	\$10,992	R
Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million.		

Information Systems Division (1300)

20 Contract Elimination	(\$117,415)	R
Eliminates funds for contracting of data services; the functions previously performed by a vendor are now completed by State Board of Elections staff.		

Total Legislative Changes	(\$55,410)	R
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Total Position Changes

Revised Budget	\$5,637,834
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Senate Subcommittee on General Government
(6.0) General Assembly

GENERAL FUND

Total Budget Enacted 2013 Session **FY 14-15**
\$51,634,767

Legislative Changes

Reserve for Salaries & Benefits

21 Compensation Increase Reserve \$529,381 R
Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees.

22 State Retirement System Contributions \$141,360 R
Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million.

House and Senate (1110 & 1120)

23 General Government Oversight Committee \$34,733 R
Provides funds for the Joint Legislative Oversight Committee on General Government. The Committee will be comprised of 12 members who will meet during the interim to monitor implementation of laws, budget, and receive reports from the seventeen agencies within the purview of the appropriations subcommittees on General Government.

Information Systems Division (1217)

24 Operations (\$750,000) NR
Reduces funds appropriated for operations for FY 2014-15. This reduction will be off-set by one-time carry-forward funds that would have otherwise transferred into a reserve account. The budget for ISD will remain at \$5,812,913 for FY 2014-15.

Total Legislative Changes	\$705,474	R
	(\$750,000)	NR
Total Position Changes		
Revised Budget	\$51,590,241	

Senate Subcommittee on General Government
(7.0) Governor

GENERAL FUND

Total Budget Enacted 2013 Session

FY 14-15
\$7,172,132

Legislative Changes

25 Operations Reduction and Position Elimination

(\$115,430) R

Eliminates funding for one Washington, DC-based federal government liaison and other operating costs. Funds had been transferred annually to North Carolina Department of Transportation to partially fund this position.

60014914 Federal Legislative Programs Coordinator \$80,000

Reserve for Salaries & Benefits

26 Compensation Increase Reserve

\$51,713 R

Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees.

27 State Retirement System Contributions

\$12,919 R

Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million.

Total Legislative Changes

(\$50,798) R

Total Position Changes

Revised Budget

\$7,121,334

Senate Subcommittee on General Government
(8.0) State Budget & Management

GENERAL FUND

Total Budget Enacted 2013 Session

FY 14-15
\$7,534,217

Legislative Changes

28 Position Elimination (\$50,684) R
Eliminates one vacant position.
-1.00
60056045 Grants Assistant \$37,000

Reserve for Salaries & Benefits

29 Compensation Increase Reserve \$60,695 R
Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees.

30 State Retirement System Contributions \$18,730 R
Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million.

Technology and Data Services (1310)

31 Contract (\$100,000) R
Reduces funds for a maintenance agreement/server software contract by 15%, leaving \$587,487 for FY 2014-15.

Total Legislative Changes

(\$71,259) R

Total Position Changes

-1.00

Revised Budget

\$7,462,958

(9.0) State Budget and Management - Special

GENERAL FUND

Total Budget Enacted 2013 Session

FY 14-15
\$1,520,000

Legislative Changes

Special Appropriations

32 Amphitheater Rehabilitation

Provides funds to The Andrew Jackson Historical Foundation, Inc. to rebuild a dilapidated amphitheater. This grant requires a match of other funds locally.

\$100,000 NR

33 Resources Education Assistance Counseling and Housing of Macon County

Provides funding to Resources Education Assistance Counseling and Housing of Macon County, Inc. (REACH) to match other funds for the construction of a shelter for battered women and families. The complex will serve individuals in and around Macon and Jackson counties.

\$75,000 NR

Total Legislative Changes

\$175,000 NR

Total Position Changes

Revised Budget

\$1,695,000

(10.0) Auditor

GENERAL FUND

Total Budget Enacted 2013 Session

FY 14-15
\$11,217,468

Legislative Changes

Reserve for Salaries & Benefits

34 Compensation Increase Reserve \$122,030 R
 Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees.

35 State Retirement System Contributions \$33,308 R
 Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million.

Agency Wide

36 Operations Reductions (\$37,000) R
 Reduces funds appropriated for travel, lodging and telephone services in the 537XX accounts. There remains \$286,303 in these accounts for FY 2014-15.

Total Legislative Changes **\$118,338 R**

Total Position Changes

Revised Budget **\$11,335,806**

(11.0) Revenue

GENERAL FUND

Total Budget Enacted 2013 Session

FY 14-15
\$80,896,458

Legislative Changes

Reserve for Salaries & Benefits

- | | | |
|---|-----------|---|
| 37 Compensation Increase Reserve | \$930,480 | R |
| Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees. | | |
|
 | | |
| 38 State Retirement System Contributions | \$181,532 | R |
| Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million. | | |

Administrative Services (1681)

- | | | |
|--|-----------|---|
| 39 Asheville Office Space Lease | \$103,061 | R |
| Increases the budget for the Asheville office space lease to pay for the physical security upgrades required by new IRS regulations. | | |

Agency Wide

- | | | |
|---|-------------|---|
| 40 Vacant Positions Elimination | (\$627,180) | R |
| Eliminates positions vacant for more than one year. The positions eliminated are: | | |
| | -9.00 | |
| 60081349 Business And Technology ApplicSpec I(\$62,865) | | |
| 60081578 Processing Assistant III (\$26,215) | | |
| 60081418 Tax Administrator I (\$86,681) | | |
| 60081363 Business And Technology Applic Analyst (\$43,917) | | |
| 60082209 Business Systems Analyst (\$51,487) | | |
| 60081943 Tax Auditor Mgr (\$47,195) | | |
| 60082400 Field Auditor Team Leader (\$68,454) | | |
| 60081970 Field Auditor Team Leader (\$60,311) | | |
| 60082578 Processing Assistant IV (\$25,199) | | |

Senate Subcommittee on General Government

FY 14-15

41 Operating Expenses Transferred to Receipt Support (\$2,360,425) R

Shifts ongoing expenses and one position to the Collection Assistance Fee. The position is Revenue Officer I and a salary of \$40,125. -1.00

- Fund 1605 - Information Technology
- Fund 1660 - Collection
- Fund 1663 - Examination
- Fund 1681 - Administrative Services

Information Technology (1605)

42 Scanner Replacement \$2,500,000 NR

Provides nonrecurring funds to the Department of Revenue to purchase new document scanners. The current scanners are out of date and will be vulnerable to computer viruses once Microsoft ceases patching Windows XP. The Department of Revenue will receive four new scanners responsible for scanning correspondence, checks, and returns. In 2013, the current scanners processed more than 11 million documents.

Property Tax (1629)

43 Local Government Division Positions

Adds five positions to the Local Government Division. The cost of the positions will be \$400,575 recurring and \$36,575 nonrecurring. Funding for the positions will come from local sales and use tax receipts. These positions will aid counties in auditing refund requests from nonprofits and governmental units.

44 MotoTax Project

Authorizes the Department of Revenue to pay for expenditures related to the MotoTax Project, a collaboration between the Department of Transportation and the Department of Revenue. The cost will be \$795,236 recurring and will come from property tax collections on motor vehicles collected by the Division of Motor Vehicles.

Total Legislative Changes	(\$1,772,532)	R
	\$2,500,000	NR
Total Position Changes		-10.00
Revised Budget	\$81,623,926	

Project Collect Tax

Budget Code: 24704

	FY 2014-15
Beginning Unreserved Fund Balance	\$56,140,869
Recommended Budget	
Requirements	\$22,632,612
Receipts	\$22,632,612
Positions	0.00

Legislative Changes

Requirements:

Collection E-Service

Transfers funds to Budget Code 24708 Fund 2478 to support the collection e-service initiative as part of the Integrated Tax Administration System (ITAS) replacement project.

	\$0	R
	\$7,549,000	NR
	0.00	

Criminal Investigation Division Special Agents

Authorizes the Department of Revenue to use funds collected through the Collection Assistance Fee to hire three new special agents to pursue individuals and businesses with overdue tax debts. The cost for the new agents will be \$342,634 recurring and \$15,645 nonrecurring.

	\$342,634	R
	\$15,645	NR
	3.00	

Taxpayer Assistance Call Center

Authorizes the Department of Revenue to spend \$1,477,585 in nonrecurring funds to upgrade technology for the Interactive Voice Response (IVR) system and provide the flexibility for the installation of additional phone lines. Funds for the call center come from the 20% Collection Assistance Fee levied on overdue tax debts.

	\$0	R
	\$1,477,585	NR
	0.00	

Collection Agency Service

Authorizes the Department of Revenue to spend up to \$7.5 million per year to contract with third party collection agencies to pursue overdue tax debts. Payments will only occur once the contracted agency has collected the overdue debt.

	\$7,500,000	R
	\$0	NR
	0.00	

FY 2014-15

Locator Services	\$350,000	R
Increases the cap on taxpayer locator services from \$150,000 to \$500,000. Funds for the increase will come from the Collection Assistance Fee. Funds pay for extending the program that works with financial institutions in the State to locate asset information for taxpayers with overdue tax debts.	\$0	NR
	0.00	
ABC Permit/Tax Compliance Program	\$0	R
Authorizes the Department of Revenue to spend \$30,000 from the Collection Assistance Fee to implement software applications that will ensure applicants for Alcoholic Beverage Control retail permits are in compliance with North Carolina Tax Statutes.	\$30,000	NR
	0.00	
Operating Expenses Transferred to Receipt Support	\$2,360,425	R
Shifts ongoing expenses and one position to the Collection Assistance Fee. The position is Revenue Officer I with a salary of \$40,125.	\$0	NR
	1.00	
Fund 1605 - Information Technology		
Fund 1660 - Collection		
Fund 1663 - Examination		
Fund 1681 - Administrative Services		
Subtotal Legislative Changes	\$10,553,059	R
	\$9,072,230	NR
	4.00	

Receipts:

Operating Expenses Transferred to Receipt Support	\$0	R
	\$0	NR
Guilford Call Center	\$0	R
	\$0	NR
Criminal Investigation Division Special Agents	\$0	R
	\$0	NR

Senate Committee on Appropriations/Base Budget

FY 2014-15

Collection Agency Service	\$0	R
	\$0	NR
ABC Permit/Tax Compliance Program	\$0	R
	\$0	NR
Subtotal Legislative Changes	\$0	R
	\$0	NR

Revised Total Requirements	\$42,257,901
Revised Total Receipts	\$22,632,612
Change in Fund Balance	(\$19,625,289)
Total Positions	4.00

Unappropriated Balance Remaining	\$36,515,580
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ITAS Replacement, code 2478

Budget Code: 24708

	FY 2014-15
Beginning Unreserved Fund Balance	\$29,853,135
Recommended Budget	
Requirements	\$51,024,601
Receipts	\$27,874,319
Positions	7.00

Legislative Changes

Requirements:

Collections Case Management

Authorizes the Department of Revenue to use funds available to begin implementation of a new case management system for the Collections Division as part of the replacement of the Integrated Tax Administration System (ITAS).

	\$0	R
	\$5,000,000	NR
	0.00	

Collection E-Service

Provides funds from the Collection Assistance fee to implement an e-garnishment project that will automate management of the garnishment process, verification of NC-3s and W-2s, web portal for installment payments, and a decision analytics framework.

	\$0	R
	\$7,549,000	NR
	0.00	

Tax Information Management System Funding

Authorizes the Department of Revenue to use available funds to support the remediation of the backlog and ongoing support and maintenance of Release 3 of the Tax Information Management System (TIMS) for several tax schedules including alcoholic beverage, tobacco products, estate, and gift tax. Funding for the time limited positions is included in the appropriated funds. The funds come from a special fund containing money from General Fund appropriations, Collection Assistance Fee, and the TIMS benefit stream.

	\$0	R
	\$11,080,942	NR
	0.00	

FY 2014-15

ITAS Replacement - Budget Adjustment

\$0 R

Revises the ITAS budget to reflect the changed authorization to the public private partnership found in the IT section of the appropriations bill. The requirements for the ITAS replacement for FY 2014-15 include the following initiatives: Collections Case Management, Collection E-Services, and Tax Information Management System Funding.

(\$51,024,601) NR

0.00

Subtotal Legislative Changes

\$0 R

(\$27,394,659) NR

0.00

Receipts:

ITAS Replacement - Budget Adjustment

\$0 R

Revises the ITAS budget to reflect the changed authorization to the public private partnership found in the IT section of the appropriations bill. The requirements for the ITAS replacement for FY 2014-15 include the following initiatives: Collections Case Management, Collection E-Services, and Tax Information Management System Funding.

(\$27,874,319) NR

Tax Information Management System Funding

\$0 R

\$0 NR

Collections Case Management

\$0 R

\$0 NR

Collection E-Service

\$0 R

\$7,549,000 NR

Subtotal Legislative Changes

\$0 R

(\$20,325,319) NR

Revised Total Requirements	\$23,629,942
Revised Total Receipts	\$7,549,000
Change in Fund Balance	(\$16,080,942)
Total Positions	7.00

Unappropriated Balance Remaining	\$13,772,193
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(12.0) Secretary of State

GENERAL FUND

Total Budget Enacted 2013 Session

FY 14-15
\$11,575,183

Legislative Changes

Reserve for Salaries & Benefits

45 Compensation Increase Reserve \$173,793 R
 Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees.

46 State Retirement System Contributions \$29,658 R
 Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million.

Corporations (1210)

47 Position Eliminations (\$75,660) R
 Eliminates two vacant positions from the Corporations Division. The positions are:
-2.00

60008687 Processing Assistant IV (\$26,013)
 60094557 Processing Assistant IV (\$26,946)

Publications Division (1120)

48 Position Eliminations (\$150,511) R
 Reduces staff in the Publications Division. The positions eliminated are:
-3.00

60008653 Public Information Assistant V (\$35,971)
 60008654 Public Information Assistant (\$38,402)
 60094565 Editorial Assistant (\$35,326)

Total Legislative Changes	(\$22,720)	R
Total Position Changes	-5.00	
Revised Budget	\$11,552,463	

Senate Subcommittee on General Government
(13.0) Lieutenant Governor

GENERAL FUND

Total Budget Enacted 2013 Session

FY 14-15
\$675,089

Legislative Changes

Reserve for Salaries & Benefits

49 Compensation Increase Reserve \$6,001 R
Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees.

50 State Retirement System Contributions \$1,872 R
Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million.

Administration (1100)

51 Operating Expense Reductions (\$13,502) R
Reduces the budget for the following line items.

Reduces in State ground transportation by 50%, leaving \$1,500.
Reduces in State lodging by 71%, leaving \$1,229.
Reduces in State meals by 84%, leaving \$1,133.
Reduces telephone services by 16%, leaving \$5,096.
Reduces food supplies by 83%, leaving \$400.

Total Legislative Changes (\$5,629) R

Total Position Changes

Revised Budget \$669,460

(14.0) State Controller

GENERAL FUND

Total Budget Enacted 2013 Session

FY 14-15

\$28,710,691

Legislative Changes

Reserve for Salaries & Benefits

52 Compensation Increase Reserve \$183,755 R
Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees.

53 State Retirement System Contributions \$49,588 R
Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million.

Office of State Controller (1000)

54 BEACON Hardware \$2,117,205 NR
Provides nonrecurring funds to upgrade the computer systems that process the State's human resources and payroll functions.

55 IBM Cognos DSS Contract Increase \$100,000 R
Provides funds for a software license fee increase. Cognos Decision Support System is a data warehouse of financial transactions.

56 Maintenance for the Cash Management System \$180,821 R
Provides funds for ongoing maintenance of the Cash Management System.

57 Oracle DSS Contract Increase \$21,000 R
Provides funds to pay for the increase in Oracle software licensing fees.

Senate Subcommittee on General Government

FY 14-15

58 Operating Budget Reductions (\$520,086) R

Reduces budgeted line items for communication and data processing accounts to bring them in line with prior year actual expenditures, leaving \$1,702,770 for these purposes.

59 Personnel Reductions (\$531,783) R

Eliminates 3.75 filled and one vacant positions. The positions eliminated are:

-4.75

- 60087099 Financial/Business Systems Manager (\$111,320)
- 60087082 (.75 Full Time Equivalent) Administrative Assistant (\$41,328)
- 60087181 Deputy State Controller (\$115,298)
- 60087105 Business and Technology Application Specialist (\$95,165)
- 60087116 Support Services Supervisor (\$40,632)

Total Legislative Changes	(\$516,705)	R
	\$2,117,205	NR
Total Position Changes		-4.75
Revised Budget	\$30,311,191	

Federal Insurance Contribution Act (FICA) Savings

Budget Code: 24160

	FY 2014-15
Beginning Unreserved Fund Balance	\$21,062,088
Recommended Budget	
Requirements	\$4,317,261
Receipts	\$0
Positions	0.00

Legislative Changes

Requirements:

Federal Insurance Contribution Act (FICA) Savings	\$0	R
Transfers \$5,255,000 in FY 2014-15 to general availability.	\$5,255,000	NR
	0.00	
Subtotal Legislative Changes	\$0	R
	\$5,255,000	NR
	0.00	

Receipts:

Federal Insurance Contribution Act (FICA) Savings	\$0	R
	\$0	NR
Subtotal Legislative Changes	\$0	R
	\$0	NR

Revised Total Requirements	\$9,572,261
Revised Total Receipts	\$0
Change in Fund Balance	(\$9,572,261)
Total Positions	0.00

Unappropriated Balance Remaining	\$11,489,827
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Senate Subcommittee on General Government
 (15.0) Administration

GENERAL FUND

Total Budget Enacted 2013 Session

FY 14-15
\$67,047,033

Legislative Changes

Reserve for Salaries & Benefits

- | | | |
|---|-----------|---|
| 60 Compensation Increase Reserve | \$469,030 | R |
| Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees. | | |
|
 | | |
| 61 State Retirement System Contributions | \$95,727 | R |
| Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million. | | |

Agency Wide

- | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|----------|----------|--------------------------------------|----------|----------|--|----------|----------|--|----------|----------|------------------------|----------|----------|----------|----------|----------|----------------------------|----------|----------|---|----------|----------|-------------------------|----------|----------|------------------------|----------|----------|----------------------------------|----------|----------|-----------------------------|----------|
| 62 Vacant Positions | (\$586,352) | R | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Eliminates ten full time equivalent positions and benefits throughout the Department of Administration that have been vacant for more than a year. The positions are as follows: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="0" style="margin-left: 20px;"> <tr> <td>65015255</td> <td>Engineering/Architectural Technician</td> <td>\$40,000</td> </tr> <tr> <td>60014820</td> <td>Building & Environmental Technician (0.25 FTE)</td> <td>\$33,515</td> </tr> <tr> <td>60014768</td> <td>Facility Maintenance Tech - Bldg. Trades</td> <td>\$39,915</td> </tr> <tr> <td>60013897</td> <td>Contract Specialist II</td> <td>\$52,467</td> </tr> <tr> <td>60013862</td> <td>Attorney</td> <td>\$57,566</td> </tr> <tr> <td>65015257</td> <td>Administrative Officer III</td> <td>\$24,000</td> </tr> <tr> <td>60013923</td> <td>Administrative Assistant I I (0.75 FTE)</td> <td>\$24,001</td> </tr> <tr> <td>60014242</td> <td>Processing Assistant IV</td> <td>\$32,796</td> </tr> <tr> <td>60014704</td> <td>Maintenance Mechanic V</td> <td>\$35,926</td> </tr> <tr> <td>60013870</td> <td>Strategic Sourcing Specialist II</td> <td>\$65,000</td> </tr> <tr> <td>60014218</td> <td>W/A Processing Assistant IV</td> <td>\$31,470</td> </tr> </table> | | | 65015255 | Engineering/Architectural Technician | \$40,000 | 60014820 | Building & Environmental Technician (0.25 FTE) | \$33,515 | 60014768 | Facility Maintenance Tech - Bldg. Trades | \$39,915 | 60013897 | Contract Specialist II | \$52,467 | 60013862 | Attorney | \$57,566 | 65015257 | Administrative Officer III | \$24,000 | 60013923 | Administrative Assistant I I (0.75 FTE) | \$24,001 | 60014242 | Processing Assistant IV | \$32,796 | 60014704 | Maintenance Mechanic V | \$35,926 | 60013870 | Strategic Sourcing Specialist II | \$65,000 | 60014218 | W/A Processing Assistant IV | \$31,470 |
| 65015255 | Engineering/Architectural Technician | \$40,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 60014820 | Building & Environmental Technician (0.25 FTE) | \$33,515 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 60014768 | Facility Maintenance Tech - Bldg. Trades | \$39,915 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 60013897 | Contract Specialist II | \$52,467 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 60013862 | Attorney | \$57,566 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 65015257 | Administrative Officer III | \$24,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 60013923 | Administrative Assistant I I (0.75 FTE) | \$24,001 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 60014242 | Processing Assistant IV | \$32,796 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 60014704 | Maintenance Mechanic V | \$35,926 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 60013870 | Strategic Sourcing Specialist II | \$65,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 60014218 | W/A Processing Assistant IV | \$31,470 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | -10.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Senate Subcommittee on General Government

FY 14-15

63 Operations Reductions and Efficiency

(\$184,451) R

Reduces operating budgets throughout divisions within the Department to more closely reflect actual expenditures and to achieve efficiencies. The Divisions impacted are as follows:

- 1121 - Fiscal Management: \$22,900
- 1122 - Human Resources: \$11,818
- 1123 - Historically Underutilized Business: \$12,727
- 1241 - Management Information Systems: \$16,341
- 1411 - State Construction: \$43,704
- 1412 - State Property: \$17,749
- 1511 - Purchase and Contract: \$59,212

Facilities Management (1421)

64 Janitorial Services Contract

(\$300,000) R

Reduces the janitorial services contract (532184) by 11% to more closely reflect actual expenditures leaving \$2,206,823.

65 Utilities Expenditures

(\$1,224,000) R

Reduces the appropriation for utilities within the Department (5322XX) by 8% to more closely reflect actual expenditures leaving \$13,247,559.

Office of State Human Resources

66 Position Elimination

(\$71,193) R

Eliminates a position within Office of State Human Resources identified in the voluntary reduction in force project.

-1.00

Office of State Human Resources (1311)

67 Operations Reduction - Agency Wide

(\$71,175) R

Reduces funds appropriated for operations. There remains approximately \$7 million for Office of State Human Resources' operations.

State Ethics Commission (1810)

68 Operating Expense Reductions

(\$12,865) R

Reduces line items for information technology expenditures, printing expenses, and office supplies. The total operating reduction is 11% and leaves \$105,281 in operating funds.

Veterans Affairs (1771)

69 Aid to County Veterans Services Offices

(\$138,000) R

Eliminates the grant in aid program to county governments for the provision of veterans' services.

Veterans Home Program (1772)

70 Veterans Homes Building Reserves

Appropriates funds from the State Veteran's Trust Fund to fully operate the two recently opened State Veterans Homes in Black Mountain and Kinston. The additional amount appropriated from the Trust Fund is \$18,268,588 which brings the total operating budget for the Homes to \$42,056,930 for FY 2014-15.

Total Legislative Changes

(\$2,023,279) R

Total Position Changes

-11.00

Revised Budget

\$65,023,754

NC Veterans Trust Fund

Budget Code: 64106

	FY 2014-15
Beginning Unreserved Fund Balance	\$23,038,009
Recommended Budget	
Requirements	\$23,788,342
Receipts	\$23,785,816
Positions	0.00

Legislative Changes

Requirements:

State Veterans Homes	\$18,268,588	R
Appropriates funds to fully operate the two recently opened state Veterans Homes in Black Mountain and Kinston.	\$0	NR
	0.00	
Subtotal Legislative Changes	\$18,268,588	R
	\$0	NR
	0.00	

Receipts:

State Veterans Homes	\$18,268,588	R
Increases receipts to reflect the recently opened State Veterans Homes in Black Mountain and Kinston	\$0	NR
Subtotal Legislative Changes	\$18,268,588	R
	\$0	NR

Revised Total Requirements	\$42,056,930
Revised Total Receipts	\$42,054,404
Change in Fund Balance	(\$2,526)
Total Positions	0.00

Unappropriated Balance Remaining	\$23,035,483
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State Parking System

Budget Code: 74103

	FY 2014-15
Beginning Unreserved Fund Balance	\$1,691,613
Recommended Budget	
Requirements	\$1,835,325
Receipts	\$1,835,722
Positions	14.75

Legislative Changes

Requirements:

State Parking Fund	\$800,000	R
Increases receipts to actual required amounts for the purposes of improving facility maintenance and repairs as well as security upgrades.	\$0	NR
	0.00	
Subtotal Legislative Changes	\$800,000	R
	\$0	NR
	0.00	

Receipts:

State Parking Correction	\$800,000	R
Budgets receipts to actual.	\$0	NR
Subtotal Legislative Changes	\$800,000	R
	\$0	NR

Revised Total Requirements	\$2,635,325
Revised Total Receipts	\$2,635,722
Change in Fund Balance	\$397
Total Positions	14.75

Unappropriated Balance Remaining	\$1,692,010
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Department of Administration Special Fund

Budget Code: 74100-7211

	FY 2014-15
Beginning Unreserved Fund Balance	\$45,453,806
Recommended Budget	
Requirements	\$40,799,693
Receipts	\$46,491,012
Positions	48.00

Legislative Changes

Requirements:

Motor Fleet Management	\$10,979,483		R
Appropriates receipts from the Motor Fleet Management Fund to bring the State Fleet Replacement schedule closer to the industry standard. The funds will be used to purchase 800 to 1,000 additional vehicles per year.	\$0		NR
	0.00		
Subtotal Legislative Changes	\$10,979,483		R
	\$0		NR
	0.00		

Receipts:

Motor Fleet Management	\$10,979,483		R
Budgets receipts to actual.	\$0		NR
Subtotal Legislative Changes	\$10,979,483		R
	\$0		NR

Revised Total Requirements	\$51,779,176
Revised Total Receipts	\$57,470,495
Change in Fund Balance	\$5,691,319
Total Positions	48.00

Unappropriated Balance Remaining	\$51,145,125
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Temporary Solutions

Budget Code: 74100-7511

	FY 2014-15
Beginning Unreserved Fund Balance	(\$3,954,660)
Recommended Budget	
Requirements	\$22,234,149
Receipts	\$22,434,444
Positions	7.50

Legislative Changes

Requirements:

Temporary Solutions - Budget Adjustment	\$21,918,668	R
Increases the requirements for the operations of Temporary Solutions. Executive Order #4 required State agencies to utilize Temporary Solutions for their temporary employment needs; therefore, the budget has increased due to the increased usage of this service.	\$0	NR
	0.00	
Subtotal Legislative Changes	\$21,918,668	R
	\$0	NR
	0.00	

Receipts:

Temporary Solutions	\$21,918,668	R
Increases the receipts for Temporary Solutions resulting from increased revenues due to Executive Order #4.	\$0	NR
Subtotal Legislative Changes	\$21,918,668	R
	\$0	NR

Revised Total Requirements	\$44,152,817
Revised Total Receipts	\$44,353,112
Change in Fund Balance	\$200,295
Total Positions	7.50

Unappropriated Balance Remaining	(\$3,754,365)
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Senate Subcommittee on General Government
(16.0) Housing Finance Agency

GENERAL FUND

Total Budget Enacted 2013 Session **FY 14-15**
\$8,411,632

Legislative Changes

HOME Match (1100)

71 HOME Match (\$29,678) R
Reduces the State match for the federal HOME Program by 2%. The General Fund appropriation for FY 2014-15 is \$1,458,649.

Housing Trust Fund (1100)

72 Workforce Housing Loan Program \$10,000,000 NR
Appropriates funds to the Housing Trust Fund in order to create a Low Income Housing Loan program to assist in the development of low income housing units throughout the State.

73 Housing Trust Fund (\$140,000) R
Reduces the General Fund appropriation to the Housing Trust Fund by 2%. For FY 2014-15, the General Fund appropriation to the Housing Trust Fund is \$6,860,000.

Total Legislative Changes (\$169,678) R
\$10,000,000 NR

Total Position Changes

Revised Budget \$18,241,954

(17.0) Office of Administrative Hearings

GENERAL FUND

Total Budget Enacted 2013 Session

FY 14-15
\$5,027,130

Legislative Changes

Reserve for Salaries & Benefits

74 Compensation Increase Reserve \$45,011 R
 Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees.

75 State Retirement System Contributions \$11,621 R
 Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million.

Administration (1100)

76 Operating Reduction (\$32,111) R
 Reduces various operating line items within the Office to more closely reflect actual expenditures. The following line items are reduced: Maintenance Agreements/Service Contracts (532499), Intangible Assets(5347XX), Postage/Freight/Delivery (532840). The operating reduction reflects a 1% decrease to the Office, leaving \$2,999,244.

Total Legislative Changes \$24,521 R

Total Position Changes

Revised Budget \$5,051,651

Total Budget Enacted 2013 Session

FY 14-15
\$7,026,305

Legislative Changes

Reserve for Salaries & Benefits

77 Compensation Increase Reserve	\$37,409	R
Provides a \$1,000 annual recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees.		

78 State Retirement System Contributions	\$9,856	R
Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees. Total General Fund appropriation across all sections in the committee report is \$37 million.		

Financial Operations (1510)

79 Operating Reduction	(\$70,662)	R
Reduces budgeted Computer and Data Processing (532821) expenditures to more closely reflect actual expenditures.		

Investments (1510)

80 Investments Internalization	\$1,920,597	R
Provides funds to the Investments Division to internalize a variety of investments currently managed by external fund managers. The appropriation will provide funding to hire five Portfolio Managers and seven Investment Analysts to manage investments for global equity, private equity, credit strategies, real estate, and inflation protection. There is also additional funding for software licenses and employee related expenses.		
	\$62,328	NR
	12.00	

Total Legislative Changes	\$1,897,200	R
	\$62,328	NR
Total Position Changes	12.00	
Revised Budget	\$8,985,833	

(19.0) Fire Rescue Nat Guard Pensions & LDD Benefits

GENERAL FUND

Total Budget Enacted 2013 Session

FY 14-15
\$23,179,042

Legislative Changes

Firefighters' Pension Fund (1412)

81 General Fund Contribution (\$696,253) R
 Reduces the General Fund contribution to match the Annual Required Contribution to the Firefighters' and Rescue Squad Workers' Pension Fund. The reduction reflects changes that allow distributions at age 55 regardless of pay status. The payment of these pension benefits is made pursuant to Article 86 of G.S. 58, as amended in a special provision. The amount of the recurring General Fund contribution is \$13,319,481.

National Guard (1414)

82 General Fund Contribution (\$1,747,897) R
 Reduces the General Fund contribution to the National Guard Pension Fund to match the Annual Required Contribution. The payment of these pension benefits is made pursuant to G.S. 127A-40. The amount of the recurring General Fund contribution to the fund is \$5,259,546.

Rescue Squad (1413)

83 General Fund Contribution (\$30,346) R
 Reduces the General Fund contribution to match the Annual Required Contribution to the Rescue Squad Workers' Pension Fund. The reduction reflects changes that allow distributions at age 55 regardless of pay status. The payment of these pension benefits is made pursuant to Article 86 of G.S. 58, as amended in a special provision. The amount of the recurring General Fund contribution is \$580,519.

Total Legislative Changes **(\$2,474,496) R**

Total Position Changes

Revised Budget **\$20,704,546**

TRANSPORTATION

Section K

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Highway Fund

HIGHWAY FUND

Total Budget Enacted 2013 Session

FY 14-15
\$1,916,310,500

Legislative Changes

Adjustments to Availability

1 Revenue Adjustment

Repeals the Motor Fuels Tax refund for taxicabs in G.S. 105-449.106(b), effective on January 1, 2015, increasing revenue availability by \$69,188 in FY 2014-15.

2 Intermodal Division Balances

Transfers \$12,000,000 of the unallotted and unexpended balance of funds within the intermodal divisions to the Pavement Preservation Program.

3 Shallow Draft Navigation Channel and Lake Dredging Fund

Reduces Highway Fund revenue availability to reflect a one-time transfer of \$1,677,134 to the Shallow Draft Navigation Channel and Lake Dredging Fund.

Administration

4 Division Cuts

(\$1,705,907) R

Reduces the Communications, Strategic Planning Office, Office of Inspector General, Financial Management, Information Technology, and Facilities Management programs by 2% of the certified 2014-15 budgets for these programs, as recommended in the Governor's Budget. The cuts include \$1,705,907 to the Highway Fund and \$10,130 in receipts.

Divisional adjustments are enumerated below:

Communications Division (Fund Code 84210-0002): \$29,957
Strategic Planning Office (Fund Code 84210-1096): \$3,958
Office of Inspector General (Fund Code 84210-7011): \$39,353
Financial Management Division (Fund Code 84210-7020): \$149,903
Information Technology Division (Fund Code 84210-7025): \$1,091,183
Facilities Management Division (Fund Code 84210-7030): \$401,683

5 Division of Highways Administration Cuts

Reduces the Intergovernmental Affairs, Program Development, Technical Services, Transportation Planning, and Transportation Mobility and Safety programs by 2% of the certified 2014-15 budgets for these programs, as recommended in the Governor's Budget. The cuts include \$198,056 to receipts.

Divisional adjustments are enumerated below:

- Intergovernmental Affairs (Fund Code 84210-1078/1129): \$13,878
- Program Development Division (Fund Code 84210-1256): \$15,266
- Technical Services Division (Fund Code 84210-7153): \$110,738
- Transportation Planning Program (Fund Code 84210-7070): \$4,000
- Transportation Mobility and Safety Division (Fund Code 84210-0149): \$54,174

6 Financial Management

(\$4,200,000) R

Reduces funding for the Financial Management Division (Fund Code 84210-7020) by \$4,200,000 to realign the budget to reflect actual spending. Budgeted funds total \$5,688,248 in FY 2014-15.

7 Governance Office

(\$424,545) R

Eliminates one vacant support staff position in the Governance Office (Fund Code 84210-1104) that has been vacant less than 180 days. Eliminates four positions, of which three are filled positions, and associated costs previously associated with the Quality Enhancement Unit.

-5.00

Position	Title	Total Position Cost
60015422	Management Engineer II	\$96,657
60015416	Business Systems Analyst	\$110,260
60015423	Management Engineer I	\$82,516
60015420	Management Engineer I (vacant)	\$84,840
60027692	Administrative Assistant I (vacant)	\$50,272

8 Occupational Safety & Health Program (OSHA)

(\$7,307) R

Reduces funding for the OSHA Program (Fund Code 84210-7832), as recommended in the Governor's budget. The program provides funding to address safety deficiencies that impact the workplace environment. Eligible projects include mitigation of deficiencies discovered in routine inspections by OSHA, building code, or health code inspectors and employee safety training. This \$7,307 reduction represents a 2.0% adjustment to the certified 2014-15 budget for this program. Budgeted funds total \$358,030 in FY 2014-15.

Senate Subcommittee on Transportation

FY 14-15

9 Secretary's Office

(\$300,365) R

Eliminates one full-time filled position in the Secretary's Office (Fund Code 84210-0007) and two vacant positions that have been vacant less than 180 days.

-3.00

Position	Title	Total Position Cost
60014914	Federal Legislative Programs Coord	\$180,669
60014929	Processing Asst V (vacant)	\$46,095
60015792	Administrative Officer I (vacant)	\$73,601

10 Vacant Position Eliminations

(\$1,483,664) R

Eliminates 21 vacant administrative positions and 270 vacant positions assigned to equipment and field units which have been vacant for 180 days or longer. Estimated recurring savings total \$1,483,664.

-21.00

Aid to Municipalities

11 State Aid to Municipalities

\$9,453,990 R

Appropriates additional funding for the Aid to Municipalities program based on revised projections for motor fuels tax consumption in accordance with G.S. 136-41.1. Budgeted funds total \$146,328,000 in FY 2014-15.

Construction

12 Economic Development Program Fund

(\$4,036,171) NR

Eliminates all funding for the Economic Development Program (Fund Code 84210-7838).

Division of Motor Vehicles

13 Credit/Debit Transaction Payments

(\$3,707,308) R

Realigns funding for payments to card vendors for credit/debit transactions based on actual transaction rates and the deployment of point-of-sale capability to driver license offices. Funding for Vehicle Services (Fund Code 84210-7055) is reduced by \$3,707,308 recurring, a 28.0% adjustment to the certified 2014-15 budget for this line item. Funding for Driver Services (Fund Code 84210-0049) is reduced by \$648,879 nonrecurring, a 46.9% adjustment to the certified 2014-15 budget for this line item.

(\$648,879) NR

Senate Subcommittee on Transportation

FY 14-15

14 Title Conversion Fees

(\$30,000) R

Budgets anticipated net receipts from the authorized \$3.00 fee for the conversion of paper titles under the Electronic Lien and Titling system required pursuant to G.S. 20-58.4A.

15 License and Identification Card Costs

\$1,585,443 R

Increases funding for the production of new format driver license and identification cards issued by the Division of Motor Vehicles, as recommended in the Governor's budget. This \$1,585,443 increase to Driver Services (Fund Code 84210-0049) represents a 36.2% adjustment to the certified 2014-15 budget for this line item.

16 Medical Review Unit

\$350,000 R

Increases funding for contractual physician case reviews and Medical Review Board hearings, as recommended in the Governor's budget. This \$350,000 increase represents a 0.7% adjustment to the certified 2014-15 budget for Driver Services (Fund Code 84210-0049).

17 Ignition Interlock Program

\$617,495 R
\$46,450 NR
10.00

Increases funding to establish a stand-alone Ignition Interlock Unit, as recommended in the Governor's budget. This \$663,945 increase represents an 8.4% adjustment to the certified 2014-15 budget for the Commissioner's Office.

Governor's Highway Safety Program

18 Governor's Highway Safety Program

(\$5,699) R

Reduces the Governor's Highway Safety Program (Fund Code 84210-0042) administrative budget for car mileage reimbursement by \$11,398, including \$5,699 in receipts, as recommended in the Governor's Budget. Budgeted funds for the program total \$279,233 in FY 2014-15.

Information Technology

<p>19 SOA Governance and Competency Center</p> <p>Provides funds to establish enterprise-level Service Oriented Architecture (SOA) Governance to support the design, development and deployment of products and services as part of the Division of Motor Vehicle Modernization effort and other ongoing initiatives, as recommended in the Governor's budget. The Department will also establish an SOA competency center to retrain existing technical resources and develop the new technologies to be delivered via modernization. This \$3,000,000 funding increase represents a 5.6% adjustment to the certified 2014-15 budget for the Information Technology Division.</p>	<p>\$640,000 R \$2,360,000 NR</p>
<p>20 Modernization of Driver Services</p> <p>Increases funding to advance Phase 3 of the State Automated Driver License System replacement project, supplementing \$5.3 million of available funding from current appropriations for the modernization initiative in FY 2014-15. This \$3,024,503 funding increase represents a 5.6% adjustment to the certified 2014-15 budget for the Information Technology Division.</p>	<p>\$3,024,503 NR</p>
<p>21 Online License Renewal</p> <p>Provides \$475,000 nonrecurring to develop an online renewal capability for Driver Services. This \$475,000 funding increase represents a 0.9% adjustment to the certified 2014-15 budget for the Information Technology Division.</p>	<p>\$475,000 NR</p>
<p>22 Hearing Fee Implementation</p> <p>Provides \$256,000 nonrecurring for web application development to facilitate the future implementation of hearing fees. This \$256,000 funding increase represents a 0.5% adjustment to the certified 2014-15 budget for the Information Technology Division.</p>	<p>\$256,000 NR</p>
<p>23 DMV Service Initiatives</p> <p>Provides additional Information Technology (IT) staffing for the State Automated Driver License System (SADLS) and State Titling and Registration System (STARS) project teams, as recommended in the Governor's budget. Four (4.00) additional positions are authorized for the SADLS project team and three (3.00) additional positions are authorized for the STARS project team. This \$830,707 funding increase represents a 1.5% adjustment to the certified 2014-15 budget for the Information Technology Division.</p>	<p>\$830,707 R 7.00</p>

Senate Subcommittee on Transportation

FY 14-15

24 Channel Strategy Development

\$1,800,000 R

Provides funding to design, develop and deploy tools, applications, solutions and systems for internal and external users, as recommended in the Governor's budget. This \$1,800,000 funding increase represents a 3.3% adjustment to the certified 2014-15 budget for the Information Technology Division.

25 Card Payment Operation and Maintenance

\$1,032,919 R

Provides funding for maintenance, licensing costs, and required Payment Card Industry (PCI) Data Security Standards associated with the acceptance of credit cards, as recommended in the Governor's budget. This \$1,032,919 funding increase represents a 1.9% adjustment to the certified 2014-15 budget for the Information Technology Division.

Intermodal

26 Aviation, Rail, Public Transportation, and Ferry Operating Reductions

(\$6,726,408) R

Reduces operating and grant funding for the Divisions of Aviation, Rail, Public Transportation, Ferry, and Bicycle and Pedestrian Transportation. Recurring reductions total \$6,726,407, a 4.0% adjustment to the certified 2014-15 budgets for these programs. Funds allocated for grants for transportation services associated with the High Point Furniture Market are exempt from this reduction.

Divisional adjustments are enumerated below:

- Aviation Division (Fund Code 84210-7830): \$800,000
- Rail Division (Fund Code 84210-7829): \$960,325
- Public Transportation Division (Fund Code 84210-7831): \$3,393,723
- Ferry Division (Fund Code 84210-7825): \$1,542,317
- Bicycle & Pedestrian Division (Fund Code 84210-0035): \$30,043

27 Division of Aviation - Executive Passenger Program

(\$8,452) R

Reallocates operating and maintenance funding attributed to the Sikorsky S-76C+ helicopter and eliminates one vacant Pilot position (60080839), as recommended in the Governor's budget. Of the \$158,452 in savings, \$150,000 is reserved for contractual passenger service.

-1.00

Maintenance

28 Pavement Preservation Program

\$80,824,381 R

Establishes funding for the Pavement Preservation Program.

Senate Subcommittee on Transportation

FY 14-15

29 Primary System (\$6,678,148) R

Reduces funding for Primary System Maintenance Program, as recommended in the Governor's budget. Budgeted funds total \$140,845,060 in FY 2014-15.

30 Secondary System (\$10,709,290) R

Reduces funding for the Secondary System Maintenance Program, as recommended in the Governor's budget. Budgeted funds total \$262,872,935 in FY 2014-15.

Reserves

31 Reserve for Compensation Increases \$7,516,510 R

Provides a \$1,000 recurring salary and benefit increase (\$809 salary increase) for permanent full-time employees.

32 State Retirement System Contributions \$1,220,000 R

Increases the State's contribution to the Teachers' and State Employees' Retirement System to fund the Annual Required Contribution and provide a 0.8% cost-of-living adjustment to retirees.

33 State Health Plan (\$1,050,000) R

Reduces the reserve for health benefit coverage for enrolled active and retired employees supported by the Highway Fund to reflect zero premium increase at January 1, 2015.

34 Disability Income Plan (\$98,700) R

Reduces contributions to the Disability Income Plan for FY 2014-15 to match the Annual Required Contribution.

35 Reserve for Future Benefit Needs (\$1,745,000) R

Eliminates the Highway Fund reserve for future benefit needs.

Senate Subcommittee on Transportation

FY 14-15

Transfers

- 36 Global TransPark** (\$250,000) R
 Reduces the operating transfer to the Global TransPark Authority by \$250,000, a 25% adjustment to the certified 2014-15 budget.
- 37 Governor's Office** (\$80,000) R
 Eliminates an \$80,000 transfer from the Governor's Office used to pay a portion of the salary for Position No. 60014914. This position is eliminated in Item 9.
- 38 Department of Public Instruction - Driver Education** (\$26,682,132) R
 Converts funding to nonrecurring and adjusts the transfer from the Highway Fund to the Department of Public Instruction based on the forecast ninth-grade Average Daily Membership (ADM) for the 2014-15 school year. \$26,376,131 NR

Total Legislative Changes	\$39,978,520	R
	\$27,853,034	NR
Total Position Changes		-13.00
Revised Budget	\$1,984,142,054	

Highway Trust Fund

**HIGHWAY TRUST
FUND**

Total Budget Enacted 2013 Session

FY 14-15
\$1,105,400,000

Legislative Changes

Adjustments to Availability

39 Revenue Adjustments

Raises the Highway Use Tax caps in G.S. 105-187.3 to phase in a higher cap for certificates of title issued for a Class A or Class B motor vehicle that is a commercial vehicle (currently set at \$2,000) and for recreational vehicles (currently set at \$1,500). The caps increase to \$2,000 on January 1, 2015 and to \$3,000 on July 1, 2015.

Raises the Highway Use Tax cap in G.S. 105-187.6(c) on out-of-state vehicles from \$150 to \$250, effective October 1, 2014.

Repeals the Motor Fuels Tax refund for taxicabs in G.S. 105-449.106(b), effective January 1, 2015.

These changes increase revenue availability by \$5,691,890 in FY 2014-15.

Administration

40 Administration

Reduces funding for Highway Trust Fund administration by \$11,000,000 to realign the budget to reflect actual spending. Budgeted funds total \$34,590,880 in FY 2014-15.

(\$11,000,000) R

Construction

41 Strategic Transportation Investments

Increases funding for Strategic Transportation Investments to \$1,023,763,562 in FY 2014-15.

\$73,661,890 R

Senate Subcommittee on Transportation

FY 14-15

Total Legislative Changes	\$62,661,890	R
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Total Position Changes

Revised Budget	\$1,168,061,890
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Turnpike Authority

Budget Code: 64208

	FY 2014-15
Beginning Unreserved Fund Balance	\$0
Recommended Budget	
Requirements	\$88,725,718
Receipts	\$88,725,718
Positions	20.00

Legislative Changes

Requirements:

Administration	(\$42,601) R
Reduces funding for the Turnpike Authority administration budget by \$42,601, as recommended in the Governor's budget. Budgeted funds to the Turnpike Authority total \$1,442,878 in FY 2014-15.	\$0 NR 0.00
Subtotal Legislative Changes	(\$42,601) R \$0 NR 0.00

Receipts:

Administration	(\$42,601) R
Reduces associated receipts for Turnpike Authority administration.	\$0 NR
Subtotal Legislative Changes	(\$42,601) R \$0 NR

Revised Total Requirements	\$88,683,117
Revised Total Receipts	\$88,683,117
Change in Fund Balance	\$0
Total Positions	20.00

Unappropriated Balance Remaining	\$0
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**RESERVES/
DEBT SERVICE/
ADJUSTMENTS
Section L**

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Statewide Reserves

GENERAL FUND

FY 14-15

Total Budget Enacted 2013 Session

\$1,054,616,158

Legislative Changes

A. Employee Benefits

- | | | |
|---|-----------------------|----------|
| <p>1 Reserve for Future Benefit Needs
Eliminates the General Fund Reserve for Future Benefit Needs.</p> | <p>(\$56,400,000)</p> | <p>R</p> |
| <p>2 State Health Plan
Reduces the reserve for health benefit coverage for enrolled active and retired employees supported by the General Fund to reflect a zero premium increase as of January 1, 2015.</p> | <p>(\$22,000,000)</p> | <p>R</p> |
| <p>3 Disability Income Plan
Reduces contributions to the Disability Income Plan for FY 2014-15 to match the Annual Required Contribution.</p> | <p>(\$3,200,000)</p> | <p>R</p> |

B. Other Reserves

- | | | |
|--|---|-----------------|
| <p>4 Information Technology Reserve
Continues funding of \$19,921,393 to upgrade, simplify, and modernize the State's IT operations and internal infrastructure. This includes replacing obsolete computers and applications and ensuring State agencies are meeting IT security requirements.</p> | <p>(\$2,043,607)
(\$9,617,485)
0.00</p> | <p>R
NR</p> |
| <p>5 Information Technology Fund
Maintains funding of \$7,416,816 to support the Office of the State Chief Information Officer and statewide information technology projects. Additional funding of \$3.5 million is provided to the Government Data Analytics Center (GDAC) to improve fraud detection. An additional \$1,129,488 is provided for the Criminal Justice Law Enforcement Automated Data System (CJLEADS) to support law enforcement and the Administrative Office of the Courts.</p> | <p>\$2,493,162
\$3,510,000
0.00</p> | <p>R
NR</p> |
| <p>6 Job Development Investment Grant (JDIG) Reserve
Decreases funding for the JDIG Reserve to align funding with needs for FY 2014-15. Combined with available cash balance, total funds appropriated for FY 2014-15 will be \$54,024,000.</p> | <p>(\$15,571,684)</p> | <p>NR</p> |
| <p>7 One North Carolina Fund
Decreases funding for the One NC Fund to align funding with needs for FY 2014-15. Combined with available cash balance, total funds appropriated for FY 2014-15 will be \$11,402,677.</p> | <p>(\$7,144,263)</p> | <p>NR</p> |

C. Debt Service

8 Debt Service Savings	(\$200,000)	R
Decreases debt service to reflect the authorization of Two-Thirds bonds to replace existing authorized but unissued special indebtedness.		
9 Debt Service Increase	\$1,300,000	R
Increases debt service to reflect the authorization of Two-Thirds bonds to construct the Western Crime Lab.		
10 Debt Service Adjustment	(\$9,340,916)	NR
Adjusts debt service appropriations based on updated cash flow requirements.		

Total Legislative Changes	(\$80,050,445)	R
	(\$38,164,348)	NR
Total Position Changes	0.00	
Revised Budget	\$936,401,365	

State Health Plan (Administration)

Budget Code: 23450

FY 2014-15

Beginning Unreserved Fund Balance

Recommended Budget

Requirements	\$212,151,548
Receipts	\$212,151,548
Positions	46.00

Legislative Changes

Requirements:

Medical Benefits Administration Contracts (2A25)

Adjusts the budgeted amounts for Third Party Administrative Services contracts to reflect revised estimates.

	\$10,150,000		R
	\$0		NR
	0.00		

Agency Administration (2A10)

Adjusts the budgeted amounts for the Plan's other administrative costs to reflect revised estimates.

	\$2,650,000		R
	\$0		NR
	0.00		

Subtotal Legislative Changes

	\$12,800,000		R
	\$0		NR
	0.00		

Receipts:

Adjust Transfers from Trust Funds

Adjusts the amount of transfer from the Plan's health benefit trust fund budget codes to support administrative costs authorized for FY 2014-15.

	\$12,800,000		R
	\$0		NR

Subtotal Legislative Changes

	\$12,800,000		R
	\$0		NR

Revised Total Requirements	\$224,951,548
Revised Total Receipts	\$224,951,548
Change in Fund Balance	\$0
Total Positions	46.00

Unappropriated Balance Remaining

CAPITAL
Section M

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Capital

GENERAL FUND

FY 14-15

Total Budget Enacted 2013 Session

\$8,423,000

Legislative Changes

A. Department of Agriculture and Consumer Services

1 McGough Arena Roof Repair

Provides funding to repair the roof of the McGough Arena located at the Western North Carolina Agricultural Center. Any unexpended funds from this project may be used for other repair and renovation projects located on the State Fair Grounds.

\$2,000,000 NR

B. Department of Cultural Resources

2 U.S.S. North Carolina Battleship

Appropriates funds to repair the U.S.S. North Carolina Battleship's hull. The funds will match non-State funds. The total estimated cost of the project is \$13 million.

\$3,000,000 NR

C. Department of Environment and Natural Resources

3 Water Resource Development Projects

Provides funds for the State's share of Water Resource Development Projects. State funds will match \$9.65 million in federal funds and \$1.47 million in local funds. The projects are specified in a special provision.

\$5,810,000 NR

D. Office of State Budget and Management

4 Outer Banks Land Management Reserve

Creates a reserve to be used for Oregon Inlet land purchases. Funds shall remain in the reserve and shall not be released until the federal government enters into an agreement to sell land on, or near Oregon Inlet.

\$3,000,000 NR

5 Museum of History Expansion

Appropriates funds to the Museum of History to plan an expansion, renovation, and exhibit development for the Museum of History in Raleigh. Funds are to match non-State funds. The total amount appropriated is \$2 million, of which \$1 million is from the General Fund. There is an accompanying special provision detailing the requirements of the State General Fund appropriation. The estimated total cost of the project is \$45.2 million.

\$1,000,000 NR

E. Two-Thirds Bonds

6 Bond Reauthorization

Reauthorizes \$206 million of authorized but unissued special indebtedness with Two-Thirds Bonds.

7 Department of Justice - Western Crime Lab

Authorizes the issuance of Two-Thirds Bonds for the purpose of constructing the Western Crime Lab in Edneyville, NC, as planned in S.L. 2012-142 and S.L. 2013-360. The total amount of debt authorized is \$15.4 million.

Total Legislative Changes	\$14,810,000	NR
Total Position Changes		
Revised Budget	\$23,233,000	

**INFORMATION
TECHNOLOGY
SERVICES
Section N**

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Information Technology Fund

Budget Code: 24667

FY 2014-15

Beginning Unreserved Fund Balance

\$3,909,023

Recommended Budget

Requirements

\$10,470,657

Receipts

\$10,472,857

Positions

31.00

Legislative Changes

Requirements:

Criminal Justice Information Network (2705)

\$0 R

Maintains funding of \$189,563 for the Criminal Justice Information Network (CJIN). The CJIN is a statewide criminal justice infrastructure that allows the sharing of information between State and local criminal justice agencies.

\$0 NR

0.00

Center for Geographic Information and Analysis

\$858,494 R

Maintains funding of \$495,338 for the Center for Geographic Information and Analysis (CGIA) (Fund Code 2715), the lead agency for geographic information systems (GIS) services and GIS coordination for North Carolina, providing GIS services to State and local governments. On a nonrecurring basis, transfers \$3,266,157 from two Department of Commerce Small Business Loan disaster accounts to support Light Detecting and Ranging (LiDAR) (Fund Codes 2959 and 2966) topological mapping. Transfers the Geodetic Survey function (Fund Code 1511) from the Division of Emergency Management to the Office of the State Chief Information Officer, along with associated funding of \$852,492. Transfers the Office of Geospatial and Technology Management (GTM) (Fund Code 1504) of the Division of Emergency Management to the Office of the State Chief Information Officer. GTM is primarily receipt-supported and includes floodplain mapping. The total certified budget for GTM for 2014-2015 is:

\$3,266,157 NR

12.67

Receipts \$30,944,903
 General Fund \$ 6,002
 Total Requirements \$30,950,905

FY 2014-15

Enterprise Security Risk Management Office (2720)	\$0	R
Maintains funding of \$864,148 for Enterprise Security Risk Management. The Enterprise Security and Risk Management Office (ESRMO) is responsible for the development, delivery and maintenance of an information security and risk management program that safeguards the State's information assets and the supporting infrastructure against unauthorized use, disclosure, modification, damage, or loss.	\$0	NR
	0.00	
Enterprise Project Management Office (2740)	\$0	R
Maintains funding of \$1,473,285 for the Enterprise Project Management Office (EPMO). The EPMO was established to improve the management of IT projects in State government.	\$0	NR
	0.00	
Architecture and Engineering (2750)	\$0	R
Maintains funding of \$851,986 for the Office of Enterprise Architecture. The Office acts as a strategic planner and architect for the State's IT programs and is responsible for formulating and advancing a vision for those programs.	\$0	NR
	0.00	
State Portal (2760)	\$1,363,674	R
Provides \$1,588,415 to support the State Chief Information Officer's internal development of a fully functional State portal, continuing funding of \$224,741 to maintain the current web site and adding \$1,363,674 to begin development of a portal.	\$0	NR
	0.00	
Enterprise Licenses (2780)	\$0	R
Maintains funding of \$33,000 to support enterprise license agreements. Enterprise license agreements support multiple agencies' IT projects and applications.	\$0	NR
	0.00	
Consolidation (2790)	\$0	R
Maintains funding of \$1,021,081 for consolidation, allowing the State Chief Information Officer to work to centralize IT operations in the State.	\$0	NR
	0.00	
Electronic Forms and Digital Signatures (2790)		R
Maintains \$900,000 in funding for the State's effort to develop an enterprise electronic forms and digital signatures capability.	\$0	NR
	0.00	

FY 2014-15

GDAC (2800, 2404, 2457, 2459)

Increases funding from the Information Technology Fund by \$5,000,000, or 53%, to \$6,417,515 to continue the efforts of the Government Data Analytics Center (GDAC) and the North Carolina Financial Accountability and Compliance Technology System (NCFACCTS) to develop an enterprise business intelligence capability. Included in the \$5 million is \$1.5 million in GDAC carryforward. It also includes an increase in recurring funding for the Criminal Justice Law Enforcement Automated Data System (CJLEADS) of \$1,129,488 to support ongoing operations and allow the development of additional capabilities. In addition to funding from the IT Fund, GDAC receives an appropriation in the Office of the State Controller's budget. Total funding for GDAC operations from all funding sources in fiscal year 2014-2015 is anticipated to be \$17,069,414.

\$1,129,488 R
 \$5,000,000 NR
 0.00

Longitudinal Data System Board Staffing

Provides funding of \$5,000 for administrative support for the Longitudinal Data Board.

\$0 R
 \$5,000 NR
 0.00

Unmanned Aircraft Systems (UAS) Board

Establishes funding to support administrative requirements for the Unmanned Aircraft Systems (UAS) Board. The Board will oversee the procurement and operation of UAS in North Carolina.

\$0 R
 \$5,000 NR
 0.00

Subtotal Legislative Changes

\$3,351,656 R
\$8,276,157 NR
 12.67

Receipts:

Interest

Accounts for interest generated by the Information Technology Fund during FY 2013-14.

\$2,200 R
 \$0 NR

FY 2014-15

GDAC Funding (2404, 2457, 2459, 2800)	\$1,129,488	R
Provides \$5 million in nonrecurring funding from the IT Fund for the Government Data Analytics Center (GDAC) and the North Carolina Financial Accountability and Compliance Technology System (NCFACATS), an increase of 53%. This includes GDAC carryforward of \$1.5 million. An additional \$1,129,488 in recurring funding is provided for the Criminal Justice Law Enforcement Automated Data System (CJLEADS). All of this funding will be used to continue the State's efforts to develop an enterprise business intelligence capability.	\$5,000,000	NR
Funding for State Portal (2760)	\$1,363,674	R
Increases funding from \$224,741 to \$1,588,415 to support internal development of a statewide portal by the State Chief Information Officer.	\$0	NR
Funding for Longitudinal Data Board	\$0	R
Provides funding to support administrative requirements for the Longitudinal Data Board.	\$5,000	NR
Unmanned Aircraft Systems (UAS) Board	\$0	R
Provides funding for administrative requirements for the Unmanned Aircraft Systems Board.	\$5,000	NR
LiDAR Topological Mapping (2959 and 2966)	\$0	R
Transfers funding from two Department of Commerce small business loans disaster recovery funds to the Office of the State Chief Information Officer for Light Detecting and Ranging (LiDAR) topological mapping, providing a total of \$3,266,157 for use by the Center for Geographic Information and Analysis.	\$3,266,157	NR
Geodetic Survey Transfer (1511)	\$852,492	R
Transfers funding for the Geodetic Survey function from the Division of Emergency Management to the Office of the State Chief Information Officer.	\$0	NR
GTM Transfer (1504)	\$6,002	R
Transfers the Office of Geospatial and Technology Management (GTM) to the Office of the State Chief Information Officer. GTM is primarily receipt-supported and includes floodplain mapping.	\$0	NR
Subtotal Legislative Changes	\$3,353,856	R
	\$8,276,157	NR

Revised Total Requirements	\$22,098,470
Revised Total Receipts	\$22,102,870
Change in Fund Balance	\$4,400
Total Positions	43.67

Ending Unreserved Fund Balance	\$3,913,423
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Information Technology Reserve Fund

Budget Code: 00000

FY 2014-15

Beginning Unreserved Fund Balance **\$0**

Recommended Budget

Requirements **\$31,582,485**

Receipts **\$31,582,485**

Positions **33.00**

Legislative Changes

Requirements:

Plan (Enterprise Architecture) (2725)

(\$668,706) R

Reduces State CIO funding for Enterprise Architecture support by 30% to the FY 2013-14 level, continuing funding of \$1,570,806 for personnel with the skills necessary to ensure that the State has an enterprise architecture that can be used as the basis for planning Statewide IT support and integrating agency requirements. As part of this effort, a consistent, detailed business case development process will be created that is based on best practices and ensures that the State acquires the best support at the lowest cost.

\$0 NR
0.00

Build (Project Management) (2725)

(\$1,374,901) R

Reduces funding for project management by 48% to the FY 2013-14 level of \$1,507,353 to allow the State CIO to maintain staff with the skills required to create and deploy a development model for Cabinet agencies that will assist them in defining software requirements and require standard methodologies for project management and system development.

\$0 NR
0.00

Remediation (Equipment Relocation) (2725)

\$0 R

Continues the relocation of information technology equipment from substandard facilities to State data centers. For FY 2014-15, funding of \$600,000 is provided for equipment costs associated with the effort.

\$0 NR
0.00

FY 2014-15

Security (2775)

Continues the State CIO's effort to assess IT security requirements, then implement improvements, with nonrecurring funding of \$250,000 for FY 2014-15. Recurring funding of \$142,788 is provided to support an additional security specialist in the Office of the State Chief Information Officer.

\$0 R
 \$0 NR
 0.00

Desktop Remediation (2725)

Reduces desktop remediation funding for hosted virtual desktop (HVD) by \$9 million, delaying its implementation until FY 2015-16. Provides an additional \$2 million in funding to purchase a load balancer necessary for the implementation of HVD.

\$0 R
 (\$7,000,000) NR
 0.00

Network Simplification (2725)

Provides nonrecurring funding of \$4,832,485 to allow for the upgrade, simplification, and modernization of the State's internal IT infrastructure to accommodate current technology. Applications will also be upgraded.

\$0 R
 \$0 NR
 0.00

MS Office (2725)

Maintains funding of \$2.3 million to update approximately 50,000 agency software licenses to meet current standards.

\$0 R
 \$0 NR
 0.00

Operate (Standards and Measures) (2775)

Eliminates nonrecurring funding of \$500,000 for a consultant to support standardization of IT services.

\$0 R
 (\$500,000) NR
 0.00

Customer Data (2725)

Eliminates nonrecurring funding of \$1 million for a consultant to support the development of standard State policy regarding access to and use of data held by the State.

\$0 R
 (\$1,000,000) NR
 0.00

Secure Sign-On (2775)

Maintains recurring funding of \$70,000 for secure sign-on, but reduces nonrecurring funding by 34%, from \$3,280,000 to \$2,162,515 to support the upgrade of the State's identity management system. This will allow the implementation of increasing security requirements for access to certain types of data.

\$0 R
 (\$1,117,485) NR
 0.00

FY 2014-15

Innovation Center (2725)	\$0	R
Continues operation of the State Information Technology Innovation Center to encourage collaboration among State agencies, institutions of higher learning, citizens, and the private sector to create information technology solutions with potential benefit to the State and anyone using government services.	\$0	NR
	0.00	
Subtotal Legislative Changes	(\$2,043,607)	R
	(\$9,617,485)	NR
	0.00	

Receipts:

IT Reserve Receipts (2725 and 2775)	(\$2,043,607)	R
Sets IT Reserve receipts at \$19,921,393, a reduction of 37%.	(\$9,617,485)	NR
Subtotal Legislative Changes	(\$2,043,607)	R
	(\$9,617,485)	NR

Revised Total Requirements	\$19,921,393
Revised Total Receipts	\$19,921,393
Change in Fund Balance	\$0
Total Positions	33.00
Ending Unreserved Fund Balance	\$0

Information Technology Internal Service Fund

Budget Code: 74660

	FY 2014-15
Beginning Unreserved Fund Balance	\$18,557,047
Recommended Budget	
Requirements	\$190,000,002
Receipts	\$190,000,000
Positions	507.00

Legislative Changes

Requirements:

Information Technology Internal Service Fund	\$0	R
Provides funding for the Office of Information Technology Services. For FY 2014-15, the Fund is limit is increased by \$1 to \$190,000,001 (Fund Codes 7105, 7115, 7280, 7217, 7250, 7EPA, 7228, 7100, 7240, 7260, 7224, and 7USG). Receipts in the IT Internal Service Fund are to be nonrecurring for FY 2014-15.	\$1	NR
	0.00	
Subtotal Legislative Changes	\$0	R
	\$1	NR
	0.00	

Receipts:

IT Internal Service Fund Receipts	\$0	R
Limits receipts for FY 2013-14 and FY 2014-15 to \$190,000,001 each year. These receipts are to be nonrecurring (Fund Codes 7115, 7280, 7217, 7250, 7EPA, 7228, 7100, 7240, 7260, 7224, and 7USG).	\$1	NR
Subtotal Legislative Changes	\$0	R
	\$1	NR

Revised Total Requirements	\$190,000,003
Revised Total Receipts	\$190,000,001
Change in Fund Balance	(\$2)
Total Positions	507.00

Ending Unreserved Fund Balance	\$18,557,045
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