

SENATE APPROPRIATIONS COMMITTEE

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

UNOFFICIAL REPORT

House Bill 2436, 7th Edition Engrossed

June 19, 2008

**This Report is revised to incorporate all Senate Floor amendments to
House Bill 2436, 7th Edition Engrossed
June 20, 2008**

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Budget Reform Statement General Fund Availability

	FY 2008-09
1 Unappropriated Balance from FY 2007-08	270,504,098
2 Net Adjustments - S.L. 2007-540	(1,000,000)
3 Adjustment from Estimated to Actual 2007-08 Beginning Unreserved Balance	47,867,864
4 Projected Reversions from FY 2007-08	150,000,000
5 Projected Over Collections from FY 2007-08	151,500,000
6 Year End Unreserved Credit Balance before Earmarkings	618,871,962
7	
8 Less: Credit to Savings Reserve Account (Increases Account to \$800,000,000)	(13,400,000)
9 Less: Credit to Repairs and Renovations Reserve Account	(100,000,000)
10 Revised Year End Unreserved Credit Balance	505,471,962
11	
12 Revenues Based on Existing Tax Structure	19,903,800,000
13	
14 Non-tax Revenues	
15 Investment Income	247,300,000
16 Judicial Fees	204,800,000
17 Disproportionate Share	100,000,000
18 Insurance	62,900,000
19 Other Non-Tax Revenues	160,600,000
20 Highway Trust Fund Transfer	172,500,000
21 Highway Fund Transfer	17,600,000
22 Subtotal Non-tax Revenues	965,700,000
23	
24 Total General Fund Availability	21,374,971,962
25	
26 Adjustments to Availability: 2008 Session	
27 Reserve for Tax Relief	(50,000,000)
28 Health Care Facility Construction Project Fee Increase	822,028
29 Adjust Securities Filing Fee	2,500,000
30 Reduce Transfer from Highway Trust Fund	(25,000,000)
31 Transfer from Disaster Relief Reserve (Western NC Disasters)	21,000,000
32 Transfer from NC Rx Unexpended Balance	3,500,000
33 Transfer from Tobacco Trust Fund	5,000,000
34 Transfer from Health & Wellness Trust Fund	5,000,000
35 Transfer from Coaching Scholarship Fund	267,000
36 Transfer from Principal Fellows Trust Fund	1,000,000
37 Transfer from NC Community College System Computer Information System (CIS)	4,500,000
38 Transfer from Focused Industrial Training Unexpended Balance	783,246
39 Transfer from Disproportionate Share Receipt Reserve	19,300,000
40 Adjust Transfer from Insurance Regulatory Fund	633,492
41 Adjust Transfer from Treasurer's Office	763,829
42 Adjust Asbestos Hazard Removal Program Cap	112,901
43	
44	
45	
46 Subtotal Adjustments to Availability: 2008 Session	(9,817,504)
47	
48 Revised General Fund Availability for the 2008-09 Fiscal Year	21,365,154,458
49	
50 Less: Total General Fund Appropriations for the 2008-09 Fiscal Year	(21,365,154,458)
51	
52 Unappropriated Balance Remaining	0

SUMMARY:

**GENERAL FUND
APPROPRIATIONS**

General Fund Appropriations

Fiscal Year 2008-09

2008 Session

	2008-09					2008-09
	Certified	Recurring	Nonrecurring	Net	Position	Revised
	Appropriation	Adjustments	Adjustments	Changes	Changes	Appropriation
<u>Education:</u>						
Community Colleges	899,643,003	23,845,698	7,284,000	31,129,698	1.00	930,772,701
Public Education	7,708,315,285	(8,386,098)	84,149,043	75,762,945	0.00	7,784,078,230
University System	2,656,447,099	62,534,546	(17,602,530)	44,932,016	27.00	2,701,379,115
Total Education	11,264,405,387	77,994,146	73,830,513	151,824,659	28.00	11,416,230,046
<u>Health and Human Services:</u>						
Division of Central Management and Support	62,592,178	(484,966)	(9,275,000)	(9,759,966)	0.00	52,832,212
Aging Division	35,745,179	0	2,500,000	2,500,000	0.00	38,245,179
Blind and Deaf / Hard of Hearing Services	11,434,643	0	75,000	75,000	0.00	11,509,643
Child Development	310,984,207	(5,610,422)	8,000	(5,602,422)	3.00	305,381,785
Education Services	38,855,457	0	698,940	698,940	0.00	39,554,397
Division of Health Service Regulation	20,656,228	787,918	34,110	822,028	8.00	21,478,256
Medical Assistance	3,389,993,470	(208,841,884)	22,341,136	(186,500,748)	18.00	3,203,492,722
MH/DD/SAS	721,639,723	23,907,236	1,940,597	25,847,833	265.85	747,487,556
NC Health Choice	59,391,155	1,731,275	645,618	2,376,893	0.00	61,768,048
Public Health	182,162,710	4,775,131	2,105,406	6,880,537	2.00	189,043,247
Social Services	221,227,038	(470,368)	2,400,000	1,929,632	0.00	223,156,670
Vocational Rehabilitation	45,518,365	0	(2,000,000)	(2,000,000)	0.00	43,518,365
Total Health and Human Services	5,100,200,353	(184,206,080)	21,473,807	(162,732,273)	296.85	4,937,468,080
<u>Justice and Public Safety:</u>						
Correction	1,226,627,581	2,465,379	(2,333,291)	132,088	41.00	1,226,759,669
Crime Control & Public Safety	41,489,037	(182,404)	2,569,579	2,387,175	0.00	43,876,212
Judicial Department	452,389,917	798,688	(1,535,062)	(736,374)	44.00	451,653,543
Judicial - Indigent Defense	115,991,348	(1,770,057)	1,335,000	(435,057)	0.00	115,556,291
Justice	92,171,670	(189,120)	(411,959)	(601,079)	3.00	91,570,591
Juvenile Justice & Delinquency Prevention	139,556,104	20,531,264	(636,984)	19,894,280	30.00	159,450,384
Total Justice and Public Safety	2,068,225,657	21,653,750	(1,012,717)	20,641,033	118.00	2,088,866,690

General Fund Appropriations

Fiscal Year 2008-09

2008 Session

	2008-09					2008-09
	Certified	Recurring	Nonrecurring	Net	Position	Revised
	Appropriation	Adjustments	Adjustments	Changes	Changes	Appropriation
<u>Natural And Economic Resources:</u>						
Agriculture and Consumer Services	60,699,001	(317,116)	777,705	460,589	6.0	61,159,590
Commerce	45,289,341	(1,765,267)	9,075,737	7,310,470	1.00	52,599,811
Commerce - State Aid	21,361,485	652,635	6,748,943	7,401,578	0.00	28,763,063
Environment and Natural Resources	192,815,663	236,407	8,469,898	8,706,305	23.62	201,521,968
DENR - Clean Water Mgmt. Trust Fund	100,000,000	0	0	0	0.00	100,000,000
Labor	16,594,951	51,392	0	51,392	1.00	16,646,343
NC Biotechnology Center	15,583,395	(155,834)	0	(155,834)	0.00	15,427,561
Rural Economic Development Center	24,302,607	(243,026)	50,000,000	49,756,974	0.00	74,059,581
Total Natural and Economic Resources	476,646,443	(1,540,809)	75,072,283	73,531,474	31.62	550,177,917
<u>General Government:</u>						
Administration	70,959,534	276,671	673,877	950,548	-3.00	71,910,082
Auditor	12,746,479	(283,938)	0	(283,938)	0.00	12,462,541
Cultural Resources	71,881,424	(439,633)	3,400,000	2,960,367	0.00	74,841,791
Cultural Resources - Roanoke Island	2,020,023	(15,000)	0	(15,000)	0.00	2,005,023
General Assembly	55,740,786	(636,000)	(245,000)	(881,000)	0.00	54,859,786
Governor	6,300,587	(84,205)	0	(84,205)	0.00	6,216,382
NC Housing Finance Agency	9,608,417	5,000,000	7,000,000	12,000,000	0.00	21,608,417
Insurance	30,936,704	613,492	20,000	633,492	6.00	31,570,196
Insurance - Workers' Compensation Fund	4,500,000	0	(1,150,000)	(1,150,000)	0.00	3,350,000
Lieutenant Governor	915,109	0	0	0	0.00	915,109
Office of Administrative Hearings	3,521,735	60,144	253,400	313,544	0.00	3,835,279
Revenue	85,330,611	(1,415,864)	10,000,000	8,584,136	-29.00	93,914,747
Secretary of State	10,743,041	136,877	(1,106)	135,771	4.00	10,878,812
State Board of Elections	9,626,868	414,226	168,708	582,934	5.00	10,209,802
State Budget and Management	5,877,440	15,242	0	15,242	1.00	5,892,682
State Budget and Management -- Special	5,621,446	300,000	15,750,000	16,050,000	0.00	21,671,446
State Controller	20,727,698	(110,940)	0	(110,940)	0.00	20,616,758
Treasurer - Operations	9,326,190	763,829	0	763,829	6.00	10,090,019
Treasurer - Retirement / Benefits	9,458,957	1,027,851	0	1,027,851	0.00	10,486,808
Total General Government	425,843,049	5,622,752	35,869,879	41,492,631	-10.00	467,335,680

General Fund Appropriations

Fiscal Year 2008-09

2008 Session

	2008-09					2008-09
	Certified	Recurring	Nonrecurring	Net	Position	Revised
	Appropriation	Adjustments	Adjustments	Changes	Changes	Appropriation
Transportation	0	0	0	0	0.00	0
Statewide Reserves and Debt Service:						
Debt Service:						
Interest / Redemption	659,016,907	0	(17,500,000)	(17,500,000)	0.00	641,516,907
Federal Reimbursement	1,616,380	0	0	0	0.00	1,616,380
Subtotal Debt Service	660,633,287	0	(17,500,000)	(17,500,000)	0.00	643,133,287
Statewide Reserves:						
Compensation Increases	500,807,621	358,342,439	8,151,912	366,494,351	0.00	867,301,972
Bonus Pay for Mental Health Nurses			500,000	500,000	0.00	500,000
Salary Adjustment Fund 2007-09 Biennium	23,688,000	0	0	0	0.00	23,688,000
Teachers' and State Employees' Retirement Contributions	35,705,000	30,237,400	0	30,237,400	0.00	65,942,400
Hospitalization Reserve	122,890,207	(5,000,000)	0	(5,000,000)	0.00	117,890,207
Reserve for Eliminated Positions	(10,038,466)	0	0	0	0.00	(10,038,466)
No Penalty for Teachers Taking Personal Leave Day	0	0	5,000,000	5,000,000	0.00	5,000,000
Contingency and Emergency Fund	5,000,000	0	0	0	0.00	5,000,000
Information Technology Fund	7,840,000	0	0	0	0.00	7,840,000
Job Development Investment Grants Reserve	12,400,000	0	15,000,000	15,000,000	0.00	27,400,000
Prevention of Pesticide Exposure		221,374	135,681	357,055	4.00	357,055
Worker Safety Positions		350,000	0	350,000	4.00	350,000
Criminal Justice Data Integration Pilot		0	5,000,000	5,000,000	0.00	5,000,000
Pending Gang Prevention Legislation	0	0	10,000,000	10,000,000	0.00	10,000,000
Subtotal Statewide Reserves	698,292,362	384,151,213	43,787,593	427,938,806	8.00	1,126,231,168
Total Reserves and Debt Service	1,358,925,649	384,151,213	26,287,593	410,438,806	8.00	1,769,364,455
Total General Fund for Operations	20,694,246,538	303,674,972	231,521,358	535,196,330	472.47	21,229,442,868

General Fund Appropriations

Fiscal Year 2008-09

2008 Session

	2008-09					2008-09
	Certified	Recurring	Nonrecurring	Net	Position	Revised
	Appropriation	Adjustments	Adjustments	Changes	Changes	Appropriation
<u>Other General Fund Expenditures:</u>						
Capital Improvements	0	0	135,711,590	135,711,590	0.00	135,711,590
Repairs and Renovations	0			0	0.00	0
Total Other General Fund Expenditures	0	0	135,711,590	135,711,590	0.00	135,711,590
Total General Fund Budget	20,694,246,538	303,674,972	367,232,948	670,907,920	472.47	21,365,154,458

EDUCATION

Section F

Public Education

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09

\$7,708,315,285

Budget Changes

A. Technical Adjustments

1 Average Daily Membership (ADM) \$12,010,321 R

Revises projected increase in ADM for 2008-09 to reflect 2,382 fewer students than originally projected. Dollar amount of adjustment includes adjustments in all position, dollar, and categorical allotments.

Total funded ADM for FY 2008-09 is 1,476,566, an increase of 14,826 over FY 2007-08.

Normally, when there are fewer students than originally projected, there is a decrease in funds. This year, however, there was an increase in the number of children in poverty in North Carolina LEAs, leading to an increase in the At-Risk categorical allotment of \$14,141,566. The net change in all other allotments was a decrease of \$2,131,245.

Due to a projected increase in ninth grade ADM, receipts from the Highway Fund budgeted for Driver's Education will increase by \$616,491.

2 Budgeted Average Salary (\$43,615,839) R

Revises budgeted funding for certified personnel salaries based on actual salary data from December 2007. Adjustment does not reduce any salary paid to certified personnel.

3 Transportation Adjustment for ADM (\$3,000,000) R

Adjusts this allotment formula to align it with allotted ADM.

4 Transportation Fuel \$11,000,000 NR

Diesel fuel was funded at \$1.83 per gallon in the 2008-09 certified budget. As of May 2008, diesel fuel cost \$3.71 per gallon. The Department of Public Instruction shall use funds available from the State Public School Fund to cover fuel costs above the budgeted amount, if any.

5 Class-Size Reduction
 The General Assembly directs the Director of the Budget to transfer sufficient funding from the Education Lottery Reserve Fund to maintain K-3 student/teacher ratios at 18:1. The amount of this transfer is estimated to be \$19,750,000.

6 Over-realized Civil Penalties

(\$31,000,000) R

This item adjusts for the continued over-collection of civil penalty receipts. Collected civil penalty revenues are required to be deposited in the State Public School Fund (SPSF) for allotment to local education agencies on a per ADM basis. Civil penalties receipts are budgeted in the amount of \$77,500,000 in the SPSF for 2008-09. These receipts are expected to be over-realized by \$31 million based on current projections.

B. State Public School Fund**7 Average Daily Membership (ADM) Reserve**

(\$2,990,000) R

Reduces reserve to reflect actual 2007-08 use. \$2 million would remain available to deal with unforeseen ADM growth.

8 Replacement School Buses

(\$4,500,000) NR

Reduces the number of buses replaced in 2008-09 by approximately 160, continuing the 2007-08 nonrecurring reduction. The remaining \$67.2 million budgeted in 2008-09 for this purpose will support the replacement of approximately 665 school buses.

9 Children With Disabilities Head-Count Adjustment

(\$7,135,129) R

This is a technical adjustment to the Children With Disabilities allotment. The continuation budget includes anticipated growth based on the projected head-count of children with disabilities. This adjustment revises budgeted funding for both preschool and school-age children with special needs to reflect actual April 1, 2008 headcount. Adjustment does not reduce funding per student.

10 Children With Disabilities

\$6,200,000 R

Increases funds allotted to LEAs to support special education and related services for students with identified disabilities. Increases funding factor by \$36.03 per student in funded headcount (172,079), bringing the factor to \$3,386.84 per student.

11 State-Funded Tests

(\$3,343,412) R

Eliminates funds to support writing tests for grades 4,7, and 10, as recommended by the Blue Ribbon Commission on Testing. DPI shall provide rubrics to LEAs for local writing assessments.

12 Group Homes and Community Residential Centers

(\$2,000,000) R

Decreases the unexpended balance for these two expenditure categories. The anticipated 2007-08 unexpended balance for these activities is \$3 million.

13 Learn and Earn Online(\$3,600,000) R
(\$5,000,000) NR

Reduces 2008-09 recurring funding from \$10.1 million to \$6.5 million and eliminates the \$5 million non-recurring reserve. Projected program expenditures in 2007-08 are estimated to be approximately \$3 million, less than half of the amount provided for 2008-09.

14 At-Risk Funding	Eliminates the FY 2007-08 allocation of \$500,000 from this allotment to the State Board of Education for discretionary projects. The State Board may not spend any funds from this allotment on discretionary projects.	(\$500,000)	R
15 ABC Bonuses	Funds ABC bonuses for schools that met or exceeded expected growth in the 2007-08 school year.	\$71,000,000	NR
16 Learn and Earn High Schools	Provides funding for 14 additional Learn and Earn high schools that will be operational in 2008-09, bringing the total number of Learn and Earn high schools to 56. Nonrecurring appropriation provides \$10,000 per site to support start-up costs associated with the first year of implementation.	\$3,459,461 \$110,000	R NR
17 North Carolina 1:1 Learning Project	Provides additional funds to the North Carolina 1:1 Learning Project, a pilot program in 8 high schools that provides laptop computers for all teachers and students in the pilot schools. State funds are used to support program evaluation, improve network connectivity at each of the pilot sites, assist with professional development for teachers and principals, provide technical support staff, and purchase additional software, hardware, or other equipment necessary to support the program. The North Carolina 1:1 Learning Project received a nonrecurring appropriation of \$3 million in 2007-08.	\$3,000,000	R
18 School Connectivity	Provides additional funding to support the implementation of a plan for State-funded and supported IT infrastructure in the LEAs. The School Connectivity initiative is part of the effort to increase schools' abilities to use up-to-date instructional technology. These funds are in addition to the \$12,000,000 in the base budget.	\$4,000,000	R
19 Mentoring	Provides additional funds to establish a flexible mentoring program to serve all first and second-year teachers as well as first-year instructional support personnel. LEAs will have the flexibility to use mentoring funds, under a plan approved by the State Board of Education, to implement those strategies it believes will best serve the target population. This change to the mentoring program was recommended by the Joint Legislative Study Committee on Public School Funding Formulas.	\$6,200,000	R
20 Disadvantaged Student Supplemental Funding	Expands DSSF allotment for all LEAs to increase each LEA's capacity to meet the needs of all of its students. These funds are in addition to the \$70,172,729 in the base budget.	\$5,000,000	R

Senate Subcommittee on Education

FY 08-09

<p>21 Academically or Intellectually Gifted Increases funds allotted to LEAs to support programming for students identified as academically or intellectually gifted. Increases funding factor by \$54.18 per ADM (for 4% of ADM), bringing factor to \$1,137.19 per student.</p>	<p>\$3,200,000</p>	<p>R</p>
<p>22 Dropout Prevention Grants Provides a second year of funding for a grant program that distributes funding on a competitive basis to support innovative LEA programs that address dropout prevention. The FY 2007-08 budget provided a nonrecurring appropriation of \$7 million for this purpose.</p>	<p>\$8,000,000</p>	<p>NR</p>
<p>23 Low Wealth Counties Supplemental Funding Provides a second year of "one-time" funding to LEAs that experienced decreases in Low Wealth Counties Supplemental Funding in FY 2007-08. This money will restore 40% of each LEA's decrease in Low Wealth Counties Supplemental Funding experienced in FY 2007-08. Any unspent funds in this allotment may be transferred to the Uniform Education Reporting System (UERS), if available.</p>	<p>\$2,904,043</p>	<p>NR</p>
<p>24 More at Four Expands program that provides high-quality pre-K services to eligible four-year olds.</p>	<p>\$41,000,000</p>	<p>R</p>
<p>25 Child Nutrition Provides funds to assist in implementing the elementary school nutritional standards proscribed in G.S. 115C-264.3. The State Board of Education shall establish guidelines for allocating these funds to all LEAs.</p>	<p>\$2,000,000</p>	<p>R</p>
<p>26 Learn and Earn Virtual Schools Provides funding for the four Virtual Learn & Earn high schools ready for operation in Currituck, Hyde, Jackson and Tyrrell Counties.</p>	<p>\$1,000,000</p>	<p>R</p>
<p>27 Portable Immersive Learning Environment Program Provides funds to Duplin County Public Schools for the Portable Immersive Learning Environment program. This program will provide Duplin County the use of a GeoDome - an inflatable, portable planetarium, theater and flight simulator.</p>	<p>\$75,000</p>	<p>NR</p>
<p>28 Rural-Urban Dropout Prevention Pilot Evening Academy Programs Provides funding to implement an Evening Academy Program in two school districts. The Evening Academy program is an on-campus program that will provide approximately 100 students with academic support through smaller classes, specialized instruction geared toward a more adult population, counselors or social workers assigned to work with only academy students, and career and technical education that includes job experiences such as shadowing, apprenticeships, and employment.</p>	<p>\$200,000</p>	<p>NR</p>

C. Department of Public Instruction

29 Teacher Working Conditions Survey

Eliminates the appropriation for the Teacher Working Conditions Survey for one year.

(\$190,000) NR

D. Pass-Through Funds

30 Teacher Cadet Program

The General Assembly appropriated \$278,500 in nonrecurring funds for the Teacher Cadet Program in 2007-08. This appropriation for 2008-09 provides recurring support for the program. Teacher Cadet Program is part of the North Carolina Foundation for Public School Children, a private non-profit organization that encourages high achieving students to consider teaching as a career.

\$278,500 R

31 Teach for America

Provides funds to this private non-profit organization in addition to the \$200,000 in recurring funds already in the FY 2008-09 budget. Funds will offset the costs of recruiting, selecting, training, and supporting teachers in North Carolina. The General Assembly appropriated \$200,000 in nonrecurring funds for the Teach for America program in 2007-08.

\$750,000 R

32 Communities in Schools

Communities in Schools is a private non-profit organization that connects at-risk youth and their families with resources to assist in school success and dropout prevention. This appropriation expands the current Communities in Schools budget of \$1,107,500. Expansion amount may support the creation of Performance Learning Centers and will be matched, in part, by a grant from the Bill & Melinda Gates Foundation.

\$500,000 R

33 PTA Parental Involvement Initiative

Provides funds to the North Carolina Congress of Parents and Teachers, Incorporated, a non-profit organization, to implement the PTA Parental Involvement Initiative. The PTA Parental Involvement Initiative received a nonrecurring appropriation of \$262,500 in 2007-08.

\$300,000 NR

34 Literacy Connection Program

Provides funding to Project Enlightenment, an early childhood education and intervention program of the Wake County Public School System, to operate the Literacy Connection Program. The program will develop a statewide network of preschool early literacy leaders and provide them with training and support for coaching preschool teachers on literacy instruction strategies. In addition, the program will provide training and technical support to the More at Four program. The Literacy Connection received a nonrecurring appropriation of \$200,000 in FY 2007-08.

\$200,000 R

35 Kids Voting

Provides funding to support continued operation of the Kids Voting program, which received a non-recurring appropriation of the same amount in FY 2007-08. \$50,000 will be used to implement new Kids Voting programs in nonparticipating counties across the State. \$200,000 will be divided on the basis of the North Carolina Department of Public Instruction's Average Daily Membership with a minimum of \$2,500 for the following counties: Alleghany, Beaufort, Buncombe, Burke, Cabarrus, Catawba, Chowan, Clay, Cumberland, Davie, Durham, Forsyth, Greene, Guilford, Haywood, Henderson, Iredell, Jackson, Lee, Madison, Mecklenburg, New Hanover, Onslow, Randolph, and Wake to assist those counties with their Kids Voting programs.

\$250,000 NR

Budget Changes	(\$8,386,098)	R
	\$84,149,043	NR
Total Position Changes		
Revised Total Budget	\$7,784,078,230	

Senate Subcommittee on Education

UNC System

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09

\$2,656,447,099

Budget Changes

A. Base Budget Adjustments

- | | | |
|--|----------------|----|
| 36 Enrollment Growth | \$34,613,302 | R |
| Increases the enrollment growth funding in the base budget (\$39,830,577) to meet the projected need of \$74,443,879 for an additional 8,082 FTE students in FY 2008-09. | | |
| 37 Building Reserve Adjustments | (\$3,673,321) | R |
| Adjusts the building reserves for new and renovated buildings due to changes in completion dates and recalculation of reserve costs. | | |
| 38 Legislative Tuition Grant Adjustment | (\$1,700,000) | R |
| Adjusts the appropriation for the Legislative Tuition Grant due to lower than expected enrollment in FY 2007-08. The remaining appropriation allows for 3% growth in on-campus students and 1% growth in off-campus students in FY 2008-09. | | |
| 39 State Contractual Scholarship Fund Adjustment | (\$1,100,000) | R |
| Adjusts the appropriation for the State Contractual Scholarship Fund due to lower than expected enrollment in FY 2007-08. The remaining appropriation allows for 1.5% growth in FTE for the campuses in FY 2008-09. | | |
| 40 SREB Contract Programs Phase-Out | (\$93,000) | R |
| Begins phase-out of the Southern Regional Education Board (SREB) contract programs in Optometry, Dentistry, and Medicine with universities in other states. Students now enrolled through this program will be allowed to graduate, but future students will be directed to apply for financial assistance through the North Carolina Student Loan Program for Health, Science and Math that requires a commitment to work in North Carolina to repay the scholarship loan. This is the first year savings from the phase-out. | | |
| 41 EARN Scholars Revision | (\$50,000,000) | NR |
| Revises the FY 2008-09 funding for the Education Access Rewards North Carolina Scholars Fund (EARN) program from \$60 million General Fund/\$40 million Escheat Fund to \$10 million General Fund/\$50 million Escheat Fund. | | |

42 Coaching Scholarships Elimination (\$72,000) R
 Begins phase-out of the Physical Education / Coaching Scholarship Loan program. The students currently receiving the scholarship loan will continue to receive this two year award, but no new aid will be offered in FY 2009-10. In addition, a trust fund containing \$267,000 in unspent appropriations from prior years is reverted to the General Fund. The increased General Fund availability resulting from this reversion will be used to fund expansion budget items.

43 Principal Fellows Program Trust Fund Reversion
 Reverts \$1.0 million from the \$3.1 million Principal Fellows Program Trust Fund to the General Fund. This increase in General Fund availability will be used for expansion budget items.

44 Tuition Surcharge Over-realized Receipts (\$400,000) R
 Adjusts the budgeted amount for tuition surcharge receipts. A 25% tuition surcharge is levied on students who exceed 140 degree credit hours for a baccalaureate degree in a four-year program or who exceed 110% of the credit hours needed in a five-year program. Receipts have averaged \$1.47 million the past three fiscal years, but the authorized receipts are \$850,000.

B. Expansion

45 Campus Safety \$7,000,000 R
 Provides funding to the UNC Board of Governors to implement recommendations of the UNC Campus Safety Task Force. \$10,000,000 NR

46 Principal Fellows Program - Class 10 Payments
 Reserves \$1.74 million of the balance in the Principal Fellows Program Trust Fund Funds for \$20,000 payments to the 87 participants of Class 10 of the Principal Fellows Program (PFP). Two months after accepting the PFP scholarship loan, the 2003 General Assembly reduced the second year stipend by \$20,000. To receive this payment, Class 10 members will be required to extend their service to the state as a public school principal or assistant principal for six months beyond the current four year commitment.

47 ECU Brody School of Medicine Indigent Care \$2,000,000 NR
 Provides partial compensation to the Brody School of Medicine for its cost of providing significant levels of service to indigent patients.

48 UNC Hospitals Indigent Care \$2,000,000 NR
 Increases funding for indigent care services for UNC Hospitals.

49 Perinatal Mortality and Disease \$500,000 NR
 Appropriates funds to the UNC Chapel Hill School of Medicine to support the Perinatal Quality Collaborative of North Carolina. This group is committed to improving clinical and health system issues in perinatal care.

50 AHEC	Provides funding to address health workforce shortages (allied health, dentistry, nursing, pharmacy, and geriatrics) and to increase primary care residency training.	\$2,000,000	R
51 Cochlear Implant Programs	Appropriates \$575,000 to the Center for the Acquisition of Spoken Language through Listening Enrichment (CASTLE) and \$100,000 to East Carolina University Health Sciences Division and Project EAR (Enrichment & Auditory-Oral Resources) to 1) train teachers and therapists to work with deaf preschool-age children with cochlear implants and 2) provide oral classes to children with cochlear implants.	\$675,000	NR
52 Medical School Expansion	Provides funding to develop implementation plans for the expansion of the medical schools at the University of North Carolina at Chapel Hill and East Carolina University. The proposed additional medical students will spend their third and fourth years in clinical rotations in Charlotte, Asheville, and selected cities in Eastern North Carolina.	\$2,000,000	NR
53 ECU Dental School Operations	Funds the additional professional staff needed for planning and operation of the new ECU dental school.	\$1,000,000	R
54 TEACCH	Provides funds to the TEACCH (Treatment and Education of Autistic and Related Communication-Handicapped Children) program to provide early intervention services for 18 month old to three year old autistic children and to provide student training stipends.	\$353,064	R
55 Statewide Program for Infection Control and Epidemiology (SPICE)	Funds the Statewide Program for Infection Control and Epidemiology (Spice) at the UNC-Chapel Hill School of Medicine. SPICE is charged with investigating and controlling healthcare-associated infections in medical and long-term care facilities.	\$250,000	NR
56 Veterinary Medicine Clinical Teaching and Research Fund	Provides continued funding to the NC State University College of Veterinary Medicine for the Veterinary Medicine Clinical Teaching and Research Fund. This fund allows advanced diagnostic and treatment options for animals where a) owner financing of such options are limited, b) significant instructional value exists, or c) the diagnostic and treatment options have the potential of adding significantly to core knowledge in the relevant clinical area.	\$200,000	NR
57 NCSU College of Engineering	Provides additional operating funds for the bioengineering program in the NCSU College of Engineering.	\$3,000,000	R
58 NC A&T College of Engineering	Provides funds to North Carolina A&T State University's College of Engineering for additional faculty, equipment replacement and maintenance, and support of academic programs.	\$1,500,000	R

59 Special Focus Institutions	\$1,750,000	R
Provides funding to the North Carolina School of the Arts (\$1,000,000), to UNC-Asheville (\$500,000), and to the North Carolina School of Science and Math (\$250,000). The missions and limited sizes of these institutions make it difficult for them to generate sufficient funds from the student credit hour enrollment funding model and other sources to provide the services students need.		
60 Distinguished Professors Endowment Fund	\$5,000,000	NR
Provides state matching funds for Spangler Foundation grants to establish distinguished professorships on each of the 16 constituent university campuses.		
61 NC Research Campus at Kannapolis	\$7,000,000	R
Provides funds to pay lease costs, hire faculty and staff, and purchase equipment and supplies for UNC programs located at the North Carolina Research Campus at Kannapolis.		
62 UNC-TV Public Affairs Programs	\$230,000	R
Provides funds to produce North Carolina Now and related statewide public affairs programs.		
63 Joint Graduate School of Nanoscience and Nanoengineering	\$1,000,000	R
Provides additional operating funds for the new joint Graduate School of Nanoscience and Nanoengineering at NC A&T and UNC-G's Millennium Campus.		
64 Faculty Recruiting and Retention Fund	\$5,000,000	R
Continues the Faculty Recruiting and Retention Fund that was initiated in FY 2006-07. The UNC President may use the Fund to offer salary increases to recruit and retain faculty members in the 16 constituent universities.		
65 Research Competitiveness Fund	\$3,000,000	NR
Continues funding a Research Competitiveness Fund that began in FY 2007-08. The Fund is used to invest in those research topics important to the economic competitiveness of the state as identified by the UNC Tomorrow Commission. Previous funding was spent on research in biofuels, nanotechnology, natural products, and improved weather forecasting.		
66 Graduate Student Recruitment and Retention	\$2,000,000	R
Funds new tuition waivers aimed at recruiting and retaining top tier graduate students in math and science.		
67 Math and Science Education Network (MSEN) Pre-College Programs	\$870,000	NR
Provides additional funds to the NC Math and Science Education Network (MSEN) for pre-college enrichment programs to help prepare under-represented students in grades 6-12 to pursue college studies in science and math.		
68 Study DPI Structure and Organization	\$200,000	NR
Provides funding to the UNC Board of Governors to conduct an independent review of the structure and organization of the Department of Public Instruction and State Board of Education.		

Senate Subcommittee on Education

FY 08-09

69 Systems Support and Data Integration	\$1,957,751	R
Creates a unit within UNC General Administration that is devoted to supporting campuses as they implement integrated computing systems. The first project the unit will undertake is the implementation of a university-based payroll system.	\$2,020,000	NR
	13.00	
70 NCSU Horticultural Program in Eastern NC	\$200,000	R
Provides funding for graduate students in the horticultural program at the College of Agriculture and Life Sciences at North Carolina State University to have an opportunity to perform fieldwork in the coastal region of the state.		
71 NCSU Advanced Transportation Energy Center	\$500,000	NR
Funds electric vehicle research underway at the NCSU Advanced Transportation Energy Center. Funding will be matched by \$250,000 grants from Progress Energy and Duke Energy.		
72 Support for Regional Partnerships	\$968,750	R
Provides operating support for the higher education partnerships in Hickory, Rocky Mount, and Onslow County. Each of the three UNC/Community College joint efforts will be provided with a Director of Regional Partnership, an administrative assistant, and enrollment managers/academic advisors. Funding for supplies, travel, and equipment is also provided.	14.00	
73 Williamsdale Farm Agricultural Extension and Research Facility	\$1,250,000	NR
Provides funding for infrastructure improvements and plot development at the Williamsdale Farm Agricultural Extension and Research Facility in Duplin County. This NCSU research farm is developing biofuel crops for processing in the biomass pilot plant at the Lake Wheeler Road Field Lab in Wake County.		
74 North Carolina Center for Nursing	\$200,000	NR
Continues funding for the North Carolina Center for Nursing, but limits their mission to conducting research on nursing supply and demand, forecasting the future nursing supply, and maintaining databases on licensed nurses and student nurses. Also the Center's Board of Directors is reconstituted to be a 7 member advisory body appointed by the UNC President.		

Budget Changes	\$62,534,546	R
	(\$17,602,530)	NR
Total Position Changes	27.00	
Revised Total Budget	\$2,701,379,115	

Community Colleges

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$899,643,003

Budget Changes

A. Enrollment

75 Fully Fund Enrollment Growth \$23,779,955 R

Provides funds to fully fund enrollment growth. According to the 2007-08 spring semester census, enrollment has increased by 6,455 full-time equivalent (FTE) students above the 2007-08 budgeted enrollment of 195,375. This increase is a 3.3% increase and brings 2008-09 budgeted enrollment to 201,830. Curriculum enrollment increased by 6,119 FTE (or 4.1%), continuing education enrollment by 288 (or 1.2%), and basic skills enrollment by 48 FTE (or 0.3%).

76 Enrollment Growth Reserve \$2,500,000 NR

Provides funds for an Enrollment Growth Reserve to assist colleges that experience high growth in the fall semester. Funds shall be distributed to colleges that realize an increase greater than 5% over the previous year. Last year \$2 million non-recurring was provided for this purpose.

B. Reductions

77 Minimum Faculty Salary Technical Correction (\$540) R

Eliminates the remaining \$540 in the Minimum Faculty Salary line. This categorical appropriation was eliminated by the General Assembly in 2007. Due to a rounding error, however, the reduction failed to zero out the line.

78 Adjust College Information System (CIS) to Reflect Steady Operational State (\$3,332,426) R

Reduces the overall budget of CIS to \$11.7 million, the amount needed for on-going maintenance and operations, including periodic system upgrades. In 1999 the General Assembly appropriated \$15 million to develop a comprehensive, system-wide management information system. As of February 2008, the College Information System (CIS) has been implemented at all 58 community colleges.

79 Unexpended CIS Fund Balance

Reverts the anticipated year-end fund balance in budget code 26802 to the General Fund. Due to the full implementation of CIS in February 2008, a portion of the funds appropriated were not expended. Through a special provision, this reversion will increase availability by \$4,500,000 NR, which will be used for expansion budget items.

- 80 Reduce NCCCS BioNetwork** (\$600,000) R
 Reduces the \$7.4 million appropriation for BioNetwork. BioNetwork provides specialized training, curricula, and equipment to community colleges statewide to develop the workforce for the biotechnology, pharmaceutical, and life science industries. The reduction will reduce BioNetwork's advertising budget and eliminate unused funds.
- 81 Adjust for Over-realized Tuition Receipts** (\$2,500,000) NR
 Increases the budgeted amount of tuition and registration fees to more accurately reflect anticipated receipts. These additional receipts are expected to be available because 2008-09 actual enrollment is expected to exceed budgeted levels.
- 82 Focused Industrial Training (FIT)**
 Reverts the \$783,246 balance of HB 275 funds that remains unspent for FIT. This balance has remained unchanged since FY 2004-05. By special provision, this reversion will increase availability for expansion budget items. FIT provides customized training for incumbent workers in existing manufacturing industries whose jobs are changing because of technological or process advances. This reduction does not affect FIT's recurring General Fund appropriation of \$3,964,471.
- 83 Customized Industry Training (CIT)** (\$285,891) R
 Reduces the current Customized Industry Training (CIT) budget of \$2.75 million. This program helps existing businesses and industries improve their productivity and profitability by providing incumbent worker training. A project may be funded through CIT when it does not meet the eligibility guidelines for New and Expanding Industry Training (NEIT) or Focused Industrial Training (FIT).
- 84 Materials Composite Testing** (\$100,000) R
 Eliminates the appropriation for Materials Composite Testing. Since the original \$100,000 recurring appropriation in FY 2004-05, this program has adjusted its focus to become primarily a metrology training resource.
- 85 State Board Reserve** (\$100,000) R
 Reduces the current State Board Reserve budget of \$800,000. Per G.S. 115D-5(j), these reserve funds must be used on feasibility studies, pilot projects, start up of new programs, and innovative ideas.
- 86 NC Military Business Center** (\$1,250,000) R
 Eliminates recurring funding for the NC Military Business Center (NCMBC) and provides non-recurring funds for FY 2008-09. Restoration of recurring funding in FY 2009-10 is subject to the findings of a legislative continuation review. The NCMBC operates under the supervision of Fayetteville Technical Community College and has offices at ten Community Colleges across the state. The mission of the Military Business Center is to leverage military and other federal business opportunities for economic development and quality of life in North Carolina.

C. Categorical Programs

87 Allied Health	\$3,000,000	R
<p>Provides funds to support high-cost allied health programs. Funds may be used for allied health faculty, equipment, or supplies. Funds may also be used for National League of Nursing Accreditation fees. These funds are in addition to the \$5.6 million included in the base budget for this purpose. Funds shall be distributed on the basis of Allied Health FTE.</p>		
88 Technical Education	\$1,000,000	R
<p>Provides funds to re-establish and place renewed emphasis on technical education programs. Funds may be used for faculty, equipment, or supplies in the following curriculum areas: Construction, Engineering, Industrial, and Transport Systems Technologies. Funds shall be distributed among colleges based on the number of FTE students enrolled in these areas.</p>		
89 Equipment	\$4,000,000	NR
<p>Provides funds for the purchase of instructional equipment at all 58 colleges. These funds are in addition to the \$31.3 million included in the base budget for this purpose. Funds shall be distributed in accordance with the existing equipment formula. Last year the General Assembly appropriated \$10 million non-recurring in addition to the base budget.</p>		
90 NC Research Campus	\$1,000,000	R
<p>Provides funds to Rowan-Cabarrus Community College for operating expenses related to community college programs at the NC Research Campus in Kannapolis. These programs will focus on biotechnology. Two programs will be provided collaboratively with Forsyth Tech and Gaston College. These funds are in addition to the \$2.3 million in the base budget for this program.</p>		
91 Minority Male Mentoring	\$475,000	NR
<p>Provides funds to continue the 15 Minority Male Mentoring programs established in FY 2007-08. These programs provide such activities as academic and personal counseling, drug intervention, and personal growth and development. In addition, \$25,000 may be used to support the program's statewide conference, where colleges share experiences and best practices. Last year, the General Assembly provided \$475,000 non-recurring for this purpose.</p>		
92 Multi-Campus Center Funds	\$562,607	R
<p>Provides additional funds to support multi-campus centers (MCCs), satellite campuses that provide student services and at least one degree program onsite. These funds will support two additional MCCs - the North and West Campuses of Wake Tech - bringing the total number of MCCs to 26. These funds are in addition to the \$13,455,197 currently in the base budget.</p>		

93 NC REAL

Provides funds for NC REAL (NC Rural Entrepreneurship through Active Learning). Funds shall be used for a training program in entrepreneurial skills. This program was formerly supported by the Worker Training Trust Fund (WTF). Since 2005 funds have not been available from the WTF; therefore, the General Assembly has provided \$250,000 non-recurring each year from the General Fund for this purpose.

\$250,000 NR

94 Fayetteville Tech 3-D Technology Project

Provides funds to establish the nation's first interactive 3-D center. The project will offer modeling and simulation training and development for military and civilian applications.

\$400,000 NR

95 NC Center for Applied Textile Technology

Provides funds for operations and equipment at the North Carolina Center for Applied Textile Technology at Gaston College. These funds are in addition to the \$994,142 in the base budget for this program.

\$400,000 NR

96 Motorsports Consortium

Provides funds to support the Motorsports Consortium, which is established to help create a highly trained workforce for the State's motorsports industry. The consortium includes community colleges across the State. In FY 2007-08, the General Assembly provided \$500,000 NR for this purpose.

\$500,000 NR

97 Tuition Waiver for Non-Certified School Employees

Provides funds to support a tuition waiver for non-certified elementary and secondary school employees taking CPR and First Aid courses at community colleges. Currently only teachers may receive the waiver under Administrative Rule 23 NCAC 02D.0203.

\$80,000 R

D. Community College System Office**98 Facility Engineer**

Provides funds for a facility engineer position at the Community College System Office to help colleges with their advanced planning and capital construction projects. Nonrecurring funds are appropriated for equipment specific to the position.

\$91,993 R

\$9,000 NR
1.00**Budget Changes**

\$23,845,698 R

\$7,284,000 NR

Total Position Changes

1.00

Revised Total Budget

\$930,772,701

**HEALTH
&
HUMAN SERVICES
Section G**

Health and Human Services

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09

\$5,100,200,353

Budget Changes

(1.0) Division of Central Management and Support

1 Budget Department-wide Prior-Year Earned Revenues

Requires prior-year earned revenue to be budgeted throughout the department and reduces State appropriations. (\$7,550,000) NR

2 Reduce Automation Reserve

Reduces funding for the Automation Reserve Fund. (\$3,634,966) R

3 Eliminate Funding for Strategic LME Teams

Eliminates funding in the Office of the Secretary for the strategic mental health Local Management Entity (LME) teams. These funds have been under-utilized since appropriated in 2006. (\$300,000) R

4 Budget Over-realized Unbudgeted Receipts

Requires over-realized receipts throughout the department to be budgeted and reduces State appropriations. (\$4,000,000) R

5 Realign Funding from NC FAST

Realigns part of the balance of funds in NC FAST, of which \$645,618 is to be used for the transition in claims processing for NC Health Choice. (\$5,000,000) NR

6 MMIS+ Replacement Project

Provides a total of \$5,505,600 in receipts to be used for MMIS+ Replacement - \$917,600 in Prior Year Earned Revenue and \$4,588,000 in Federal matching funds.

7 MMIS+ Oversight and Integration of Health Choice

Provides up to \$300,000 to obtain the services of an outside consultant that possesses the background, experience, and capability to oversee the MMIS+ project, including the cost of integrating Health Choice into MMIS+. \$300,000 NR

8 NC NOVA

Provides funding for the NC New Order Vision Award that is part of the star-rating certification of Adult Care Homes. \$75,000 NR

9 Health Net Grants

Provides funding to sustain provider networks that coordinate free health care for low-income and uninsured patients, including the collaboration and support between Health Net and NC AHA. \$2,450,000 R
\$350,000 NR

Senate Subcommittee on Health and Human Services

FY 08-09

10 Aid to Safety Net Community Health Centers \$5,000,000 R
 Provides funding on a competitive grant basis to rural health centers, local health departments, qualified health centers, free clinics, school-based health centers, and entities providing preventive care.

11 Rural Hospitals Operations and Maintenance \$2,000,000 NR
 Provides funding for small rural hospitals for assistance with operations and infrastructure maintenance.

12 Institute of Medicine \$300,000 NR
 Provides funding from the Health and Wellness Trust Fund for the Institute of Medicine to hire staff to undertake additional studies at the request of the General Assembly.

13 Expand Adolescent School Health Centers \$250,000 NR
 Provides funding on a competitive grant basis to School-based Health Centers providing preventive health care to children and adolescents.

(2.0) Division of Aging and Adult Services

14 Project CARE \$500,000 NR
 Provides funding to replace expiring Federal funding for Project CARE (Caregiver Alternatives to Running on Empty), a respite-care program for caregivers of persons with Alzheimer's disease and dementia.

15 Home and Community Care Block Grant \$2,000,000 NR
 Provides funding for the Home and Community Care Block Grant, the main source of in-home and community-based services for seniors in local communities.

(3.0) Division of Child Development

16 Child Care Subsidies (\$6,836,921) R
 Replaces General Fund appropriations for child care subsidies with \$6,836,921 in federal TANF block grant funds.

17 TANF Funds for Child Care Subsidy Services
 Provides \$9 million in funding from the federal TANF block grant for child care subsidy services -- includes \$4.9 million to remove 1,110 children from the child care subsidy waiting list and \$4.1 million to replace nonrecurring funds to maintain services for 931 children.

18 Three Criminal Records Check Positions \$126,499 R
 Provides funding for three positions in the Criminal Records Check Unit to help implement new types of record checks and ensure processing times do not increase for existing checks. \$8,000 NR
 3.00

Processing Assistant IV (2) - \$31,132 each; or \$62,264 in total.
 Processing Assistant V (1) - \$33,621

Senate Subcommittee on Health and Human Services

FY 08-09

19 T.E.A.C.H Early Childhood Education \$100,000 R
 Provides funding for the North Carolina T.E.A.C.H Early Childhood Project.

20 Regulatory Services Position
 Provides funding for a position in Regulatory Services to schedule and prepare pre-licensing workshops for child care providers. Funded by \$35,337 from the federal Child Care Development Fund Block Grant.

 Processing Assistant V (1) - \$35,337.

21 Smart Start \$1,000,000 R
 Provides funding for local Smart Start initiatives.

(4.0) Office of Education Services

22 Replace Telephone System for Governor Morehead School for the Blind \$698,940 NR
 Provides funding to purchase a new telephone/campus-wide emergency system for the Governor Morehead School for the Blind.

23 Textbooks for Deaf and Blind Schools
 Provides \$77,466 in nonrecurring receipts for textbooks.

(5.0) Division of Public Health

24 Budget State Public Health Laboratory Receipts (\$401,379) R
 Increases budgeted receipts for the State Public Health Laboratory to reflect actual collections and reduce State appropriations.

25 Reduce WIC by Prior Year Reversions (\$305,095) R
 Reduces State appropriations to the Women, Infant, and Children program to historic level of spending.

26 Reduce Operating Funds (Accounts 2XXX Through 5XXX) (\$1,900,000) R
 Reduces State appropriations for operating funds in the Division of Public Health to the historic level of spending.

27 Eliminate Vision Care Program (\$500,000) R
 Eliminates funding for the Vision Care Program.

28 Realign Funding from BCCCP Program (\$500,000) R
 Reduces State appropriations to the Breast and Cervical Cancer Control Program to the level of current utilization.

29 Reduce Funds For Contracts (Account 6XXX) (\$2,000,000) R
 Reduces State appropriations for operating funds in the Division of Public Health to the historic level of funding.

<p>30 Funds to Support State Facility Death Reporting Requirements Provides funding to the Office of the Chief Medical Examiner for one position and increased operating costs due to additional reporting requirements of deaths at State institutions.</p> <p>Public Health Nursing Consultant II (1) - \$66,001.</p>	<p>\$155,226 \$3,100 1.00</p>	<p>R NR</p>
<p>31 Cystic Fibrosis Screening and Outreach Provides funding from fee receipts to add screening for Cystic Fibrosis to the panel of tests administered to newborns. The salaries of five positions associated with test and follow up are supported by fee receipts of \$989,320.</p> <p>Public Health Genetic Counselor (1) - \$50,628 Public Health Educator III (1) - \$50,628 Medical Laboratory Technologist II (1) - \$48,528 Laboratory Improvement Consultant (1) - \$55,150 Medical Laboratory Specialist (1) - \$55,150.</p>		
<p>32 Obesity Prevention Provides funding from the Health and Wellness Trust Fund for comprehensive demonstration projects to reduce obesity and the chronic diseases caused by obesity.</p>	<p>\$2,000,000</p>	<p>R</p>
<p>33 Raise Monetary Ceiling on Asbestos Material Removal Provides funding from fee receipts for the Asbestos Hazard Management Program by raising the cap on the fee to increase receipts by \$112,901.</p>		
<p>34 OCME Toxicology Laboratory Improvements Provides funding for an additional position to alleviate a backlog in toxicology tests and to purchase new equipment.</p> <p>Chemist II (1) - \$61,044.</p>	<p>\$151,379 \$350,000 1.00</p>	<p>R NR</p>
<p>35 Improve Birth Outcomes and Reduce Infant Mortality Provides funding from the Health and Wellness Trust Fund to educate women on the benefits of progesterone, to purchase medication for eligible women at risk for pre-term births, and for the development and implementation of a safe sleep public awareness campaign.</p>	<p>\$247,000</p>	<p>NR</p>
<p>36 Funds for Dental Supplies Provides funding to restore and expand the Fluoride Mouth Rinse Program to low-income children at risk of tooth decay. Up to 5% of these funds may be used to administer the expansion of the program.</p>	<p>\$250,000</p>	<p>R</p>
<p>37 Vital Records Provides funding for Vital Records Section to relocate to more efficient space and for two new positions associated with the move. Funded by \$800,000 in receipts.</p> <p>Office Assistant IV (1) - \$32,132 Public Safety Officer (1) - \$39,247.</p>		

38 State Public Health Laboratory Position Conversions

Provides funding to reallocate 4 positions to reestablish an Assistant Director and 3 scientifically-oriented positions. Funded by \$164,302 in receipts.

Assistant Laboratory Director (1)
Laboratory Safety Officer (1)
Medical Laboratory Technologists (2).

39 Tobacco Quitline

\$500,000 R

Provides funding from the Health and Wellness Trust Fund for medical and counseling services to persons using tobacco.

40 Communities for Eliminating Health Disparities Initiative

\$1,000,000 R

Provides funding from the Health and Wellness Trust Fund for grants-in-aid to community programs seeking to prevent chronic illness among minority populations.

41 Healthy Carolinians

\$435,306 NR

Provides funding for local health departments to establish and maintain infrastructure to reduce rates of diabetes, cancer, heart disease, obesity, injury, and infant mortality. A portion of the funding for this item is provided by the Health and Wellness Trust Fund.

42 Aid to Local Health Departments

\$4,800,000 R

Provides funding to Local Health Departments based on need and current health status data, for the ten essential services of public health.

43 Women's Health Services

\$100,000 R

Provides funding for family planning to uninsured women who are not eligible for Medicaid.

44 Healthy Start

\$500,000 R

Provides funding for a grant-in-aid to the Healthy Start Foundation.

45 Recruitment of Minorities into Pharmacy Schools

\$275,000 NR

Provides funding to continue a program to enhance recruitment of minority students for Schools of Pharmacy.

46 Prevent Blindness

\$150,000 NR

Provides funding for a grant-in-aid to Prevent Blindness North Carolina to expand the pre-kindergarten screening program.

47 Adolescent Pregnancy Prevention Program

\$325,000 R

Provides funding for a grant-in-aid to the Adolescent Pregnancy Prevention Coalition of North Carolina.

48 Teen Pregnancy Prevention Initiative

\$400,000 R

Provides funding for the adolescent pregnancy prevention, teen parenting, and school dropout prevention program.

49 Osteoporosis Education		
Provides funding from the Health and Wellness Trust Fund for a grant-in-aid to North Carolina Osteoporosis Foundation for public education and awareness activities.	\$75,000	NR
50 Poison Control Center	\$200,000	R
Provides funding to increase the State contract with the Poison Control Center operated by the Carolinas Medical System.		
51 Medically-Fragile Children's Program		
Provides funding for services for the child care component of pediatric day treatment centers for medically-fragile children. Additionally, \$290,000 is also allocated from Social Services Block Grant.	\$70,000	NR
52 Stroke Prevention		
Provides funding from the Health and Wellness Trust Fund for operation of Stroke Awareness Council, the continued implementation of public awareness campaign, and identification of stroke rehabilitation services throughout the state to establish a partnership between these services and NCcareLINK.	\$450,000	NR
53 North Carolina Arthritis Patient Services		
Provides a grant-in-aid to the North Carolina Arthritis Patient Services to support activities.	\$50,000	NR
(6.0) Division of Social Services		
54 Work First Cash Assistance		
Reduces State appropriations for Work First Cash Assistance.	(\$9,652,223)	R
55 Adjust State/County Special Assistance		
Reduces funding for the State/County Special Assistance Program to the anticipated level of spending for FY 2008-09.	(\$2,500,000)	R
56 State/County Special Assistance Rate Increase		
Provides funding to increase the State/County Special Assistance Rate from \$1,173 to \$1,211 per month, effective January 1, 2009. Counties will provide matching funds, resulting in a total funding increase of \$6,276,972.	\$3,138,486	R
57 Foster Care and Adoption Assistance Payments		
Provides funding to increase foster care and adoption assistance payments and to implement a new foster care reimbursement system, effective January 1, 2009.	\$8,193,369	R
58 Adoption Incentive		
Provides \$1,000,000 in receipts (\$500,000 from the Social Services Block Grant and \$500,000 from county funds) to help the families of an additional 125 medically-fragile adopted children in meeting non-medical expenses.		

59 Child Care Support Enforcement Fee Receipts

Increases budgeted receipts of \$1,800,000 in Child Support Enforcement (CSE) collected from a new federally-required fee for child support collections, effective October 1, 2007: \$1,200,000 for payment of federal receipts, \$450,000 for county-operated CSE offices, and \$150,000 to replace under-collected receipts in state-operated CSE offices.

60 Food Banks

Provides funding to be equally distributed to the regional network for food banks in North Carolina. Up to \$500,000 of the increased funding may be used to offset increased costs for fuel consumption related to transporting food.

\$1,500,000 NR

61 Child Advocacy Centers

Provides funding for grants-in-aid for each certified child advocacy center.

\$350,000 R

62 Work First Block Grant Positions

Provides funding for two positions in Child Welfare Services to monitor the Work First Block Grant in all 100 counties to ensure compliance with federal regulations. Funded by \$118,000 from the federal TANF block grant.

Social Services Regional Program Representatives (2) - \$45,238 each, or \$90,476 in total.

63 Child Welfare Collaborative Funds

Provides funding to expand social work programs at four additional universities to increase the number of persons holding Bachelors of Social Work and Masters of Social Work degrees working in Child Protective Services in local departments of social services. In addition to this funding, up to \$2,738,827 is available for various child welfare training projects in the Social Services Block Grant. The four additional universities are:
 UNC-Charlotte,
 Fayetteville State University,
 UNC-Pembroke, and
 Western Carolina University.

\$900,000 NR

(7.0) Division of Medical Assistance

64 Technical Adjustment - Medicaid Rebase

Reduces funding for the Medicaid budget, primarily due to an increased Federal Medical Assistance Percentage (FMAP) and an increase in projected drug rebate collections.

(\$65,524,706) R

65 Provider Inflationary Freeze (75.1%)	(\$42,246,144)	R
<p>Reduces funding for Medicaid provider inflation due to a 75.1% freeze. The freeze applies to all public and private providers except for federally qualified health centers, rural health centers, school-based and school-linked health centers, State institutions, hospital outpatient, pharmacy, and the non-inflationary components of the case-mix reimbursement system for nursing facilities.</p> <p>The reduction in requirements totals \$128,647,193 with a \$86,401,049 reduction in receipts and a \$42,246,144 reduction in State appropriation.</p>		
66 Additional Drugs on the State Maximum Allowable Cost (SMAC) List	(\$4,404,389)	R
<p>Reduces funding due to savings generated by adding generically available specialty drugs to the State Maximum Allowable Cost (SMAC) list and the pricing of single-source specialty drugs using enhanced specialty discounts.</p>		
67 Management of Chronic Care by CCNC	(\$28,945,618)	R
<p>Reduces funding for the Medicaid Program due to an expansion of the implementation of chronic care management programs for the aged, blind, and disabled through Community Care of North Carolina.</p>		
68 Delayed Start to NC Kids' Care	(\$7,000,000)	NR
<p>Reduces funding for NC Kids' Care due to the delayed start of the Health Choice NC Kids' Care health insurance program to July 1, 2009.</p>		
69 Community Support Program Refunds	(\$12,290,298)	NR
<p>Reduces funding for the Community Support Services Medicaid program, with a \$37,390,624 reduction in requirements and a \$25,100,326 reduction in receipts. These funds are estimated based on refunds due to the State resulting from provider post-payment reviews and audits. The reduced receipts represent federal and county share of refunds.</p>		
70 Cap on Community Support Program Service Hours	(\$9,082,049)	R
<p>Reduces funding for the Community Support Services program due to a reduction in the allowable service hours per consumer per week from 15 to 8. Increased documentation will be required for a consumer to receive more than 8 hours per week.</p> <p>The reduction in requirements totals \$27,630,206, with a corresponding \$18,548,157 reduction in receipts.</p>		
71 Tighten Eligibility and Revise Community Support Service Guidelines	(\$72,000,000)	R
<p>Reduces funding for the Community Support Services program due to cost-saving measures implemented in FY 2007-08, with a \$219,044,722 reduction in requirements and a \$147,044,722 reduction in receipts.</p>		

72 One-Time Reserve for Phase In of Community Support Reductions

Provides one-time funding to offset recurring reductions in the Community Support program, giving the department additional time to achieve cost-savings in the program. The total increase in requirements is \$109,522,361, with a corresponding increase in receipts of 73,522,361.

\$36,000,000 NR

73 Medicaid Appeals Process

Provides funding for additional 7 permanent and 6 contract staff to the department to implement a new appeals process for consumers when Medicaid-funded services are terminated, reduced or denied.

\$217,021 R
\$249,534 NR
7.00

The total cost of the positions is \$933,110, supported by \$466,555 in Medicaid receipts. Permanent positions and annual salaries are listed below.

Hearing Officer (4) - \$52,819 each, or \$211,276 in total
Administrative Assistant III (3) - \$33,621 each, or \$100,863 in total.

74 Legal Positions in the Attorney General's Office

Provides for the Attorney General's Office four time-limited attorney positions, one permanent attorney position, and paralegal to handle the backlog of community support appeals cases currently in the Office of Administrative Hearings.

\$70,934 R
\$165,145 NR

These positions will be funded through a contract with the Division of Medical Assistance.

75 Mediation Training

Provides funding to train staff as mediators in the Medicaid Appeals process, with a goal of reducing the number of appeal cases to be heard by the department and the Office of Administrative Hearings.

\$4,000 NR

76 CAP-MR/DD Tiered Slots

Provides funding for the State's share of additional Community Alternatives Program Mental Retardation/Developmental Disability (CAP-MR/DD) slots beginning November 1, 2008. Total requirements for this item are \$25,045,364, with an increase in receipts of \$16,812,953.

\$8,232,411 R

The full-year cost of the State's share in 2009-2010 will be \$12,248,616, which will be matched by Medicaid receipts totaling \$25,219,429 for a total cost of \$37,568,045 in 2009-2010.

A per-capita share will be allocated for slots managed under the North Carolina Piedmont Behavioral Health Care 1915(b) and (c) Medicaid waiver (Cabarrus, Davidson, Rowan, Stanly and Union counties), and a per-capita share will be allocated for tier one slots to be managed under the North Carolina CAP-MR/DD 1915(c) Medicaid waiver (the remaining 95 counties).

The funding for tier one slots will create up to 2,505 slots.

77 Mental Health Screenings and Assessments in Adult Care Homes	\$198,846	R
Provides funding to implement a mental health screening program for residents of adult care homes. Non-recurring funds will allow for 7,800 evaluations in FY 2008-09; recurring funds will provide approximately 850 evaluations per year in future years.	\$1,905,648	NR
78 MMIS Code Conversion to HCPCS		
Provides funding for the conversion of locally-developed claims processing codes to nationally-accepted codes (HCPCS) in the existing MMIS system in order to comply with federal mandates.	\$3,500,000	NR
79 Program Integrity Section Improvements	(\$417,376)	R
Provides funding for nine positions and operating expenses to increase the efficacy and efficiency of the Medicaid Program Integrity Section. Position classifications, number of FTEs, and annual salaries are listed below:	\$69,816	NR
	9.00	
Data Mining Project Manager (1) - \$69,082		
Statistician (1) - \$63,044		
Business Officer III (1) - \$66,001		
Social Case Worker Field Investigator (4) - \$57,666 each, or \$230,664 in total		
Processing Assistants (2) - \$31,132 each, or 62,264 in total.		
Funds will also support a new data mining software to improve pharmacy recoupment activities and a consolidated complaint line.		
Savings are projected due to increased collections from overpayments of Medicaid claims.		
80 Money Follows the Person Administrative Funding	\$59,186	R
Provides funding for two positions and operating expenses to implement the federal Money Follows the Person grant. Position classifications, number of FTEs, and annual salaries are as follows:	(\$262,709)	NR
	2.00	
Mental Health Planner Evaluator (1) - 57,666		
Office Assistant III (1) - \$33,621.		
Savings generated by transitioning individuals from long-term care facilities to community-based services result in a net reduction in appropriation.		
81 Increase Dental Rates	\$5,000,000	R
Provides funding for a 5 percent increase in dental reimbursement rates.		
(8.0) NC Health Choice		
82 NC Health Choice	\$1,731,275	R
Provides funding to enroll additional children in NC Health Choice on April 1, 2009, if Congress has reauthorized SCHIP or provided additional federal fund for Federal FY 2009.		

83 NC Health Choice Claims Processing Transition

Provides funding for costs associated with the transition of claims processing from the Blue Cross Blue Shield system to the new Power MHS system. Funds come from realigned NC FAST funds and \$850,000 in prior year earned revenue receipts.

\$645,618 NR

(9.0) Divisions of Services for the Blind and Services for the Deaf and Hard of Hearing**84 Accessible Electronic Information for Blind and Disabled Persons**

Provides funding to continue accessible electronic information services for blind and disabled persons.

\$75,000 NR

(10.0) Division of Mental Health, Developmental Disabilities, and Substance Abuse Services**85 Budget Over-Realized Mixed Beverage Receipts**

Increases budgeted receipts for substance abuse services based on historical collections of mixed-beverage receipts. Funds are paid to DHHS by local Alcohol Beverage Control boards as required by GS 18B-805(b)(3).

(\$500,000) R

86 Budget Patient Receipts to Anticipated Collection Amount

Increases budgeted patient receipts at the State's mental health, developmental disability, and substance abuse services facilities.

(\$13,000,000) R

87 Budget Prior Year Cost Settled Funds

Increases budgeted receipts from prior year cost settled funds.

(\$500,000) NR

88 Management Flexibility Reserve

Reduces funding for new positions and associated costs funded in the Division of MH/DD/SAS by 30% and allows management flexibility in handling the cut. Of the funds reduced, \$4,083,477 is from salaries and benefits funding and \$191,653 from operating funding.

(\$4,275,130) NR

89 Mobile Crisis Intervention Teams

Provides funding to provide operating subsidies to 30 mobile crisis teams state-wide. Also provides start-up funding for 11 crisis teams to bring the total number of teams state-wide to 30.

\$4,655,000 R
\$1,100,000 NR**90 New Local Psychiatric Inpatient Beds**

Provides funding for the State-paid share of new psychiatric inpatient beds as part of an initiative to create 187 new beds across the State. The full-year, State-paid cost of this program will be \$20,066,970.

\$10,621,644 R

<p>91 START Crisis Model for Developmental Disabilities Provides funding for 6 Developmental Disabilities Systemic, Therapeutic, Assessment, Respite, and Treatment (START) Crisis Model teams, supervised by clinicians at the State's developmental centers. Positions are effective 10/1/08. A listing of the positions and their annual salaries are below:</p> <p>Physician III-C (3) - \$180,000 each, or \$540,000 total Senior Psychologist I (6) - \$69,082 each, or \$414,492 total Staff Psychologist II (6) - \$55,150 each, or \$330,900 total Nurse (RN) Lead (6) - \$55,150 each, or \$330,900 total MR Habilitation Coordinator II (6) - \$52,819 each, or \$316,914 total Social Worker III (6) - \$46,453 each, or \$278,718 total Office Assistant IV (6) - \$31,132 each, or \$186,792 total.</p>	<p>\$1,737,250 \$138,993 39.00</p>	<p>R NR</p>
<p>92 Respite Beds for Developmental Disabilities Provides funding for start-up and ongoing support of 12 respite beds for individuals with disabilities across the State.</p>	<p>\$903,375 \$177,617</p>	<p>R NR</p>
<p>93 Walk-In Crisis and Immediate Psychiatric Aftercare Provides funding to Local Management Entities (LMEs) for walk-in crisis and immediate psychiatric aftercare. Also provides funding for the purchase of telepsychiatry equipment.</p>	<p>\$4,463,947 \$1,650,000</p>	<p>R NR</p>
<p>94 Clinical Staffing Ratios at Psychiatric Hospitals Provides funding for 107 positions at the State's psychiatric hospitals to improve the direct care of clients by increasing staffing ratios. Total requirements for these positions are \$7,673,694, with \$397,870 in Medicaid receipts.</p> <p>Broughton Hospital (63 FTEs): Licensed Practical Nurse (32) - \$36,847 each, or \$1,179,104 in total Registered Nurse B (16) - \$53,563 each, or \$857,008 in total Psychiatrist (4) - \$179,212 each, or \$716,848 in total Medical MD (1) - \$160,914 Health Care Technician II (10) - \$29,002 each, or \$290,020 in total</p> <p>Cherry Hospital (20 FTEs): Licensed Practical Nurse (2) - \$36,847 each, or \$73,694 in total Registered Nurse B (10) - \$53,563 each, or \$535,630 in total Psychiatrist (3) - \$179,212 each, or \$537,636 in total Health Care Technician III (5) - \$33,194 each, or \$165,970 in total</p> <p>Central Regional Hospital (24 FTEs): Registered Nurse B (14) - \$53,563 each, or \$749,882 in total Health Care Technician II (10) - \$29,002 each, or \$290,020 total.</p>	<p>\$7,275,824 107.00</p>	<p>R</p>

95 Clinical and Operational Enhancements of State Facilities

\$1,802,561 R
 \$51,951 NR
 19.00

Provides funding to improve training and supervision of direct care staff, for monitoring of State facilities, for pharmacy management, and for information technology and accounting positions. Total requirements for these positions are \$1,906,445, with \$103,884 in various Federal receipts.

Clinical Nurse Specialists (2 at each of the three psychiatric hospitals and one at each Alcohol and Drug Abuse Treatment Center)

Nurse C (9) - \$63,044 each, or \$567,396 in total

State-Operated Services Compliance Team

Mental Health Program Manager I (1) - \$57,666

Mental Health Program Manager II (4) - \$63,044 each, or \$252,176 in total

Clinical Policy Section

Pharmacy Manager III (1) - \$104,825

HEARTS Training Coordinator (patient billing system)

Social/Clinical Research Specialist (1) - \$47,400

DHHS Controller's Office

Accounting Technician III (1) - \$36,262

Accounting Technician IV (1) - \$39,247

Longleaf Neuro-Medical Center

Technology Support Technician (1) - \$40,590.

96 Recruitment and Workforce Development

\$1,270,519 R

Provides funding for recruitment and workforce development initiatives at State facilities, including psychiatrist loan repayment, increased recruitment efforts, and expansion of the Psychiatry Nurse Practitioner scholarship program. Funding for each item is as follows:

Psychiatrist Loan Repayment Program in Office of Rural Health - \$868,519

Expansion of Recruitment and Advertising Funding for Difficult-to-Recruit Positions - \$277,000

Psychiatric Nurse Practitioner Scholarship Program at UNC School of Nursing - \$125,000

Additionally, \$500,000 NR is included for sign-on bonuses for hard-to-recruit Registered Nurse positions at the State's psychiatric institutions in the Statewide Reserves Section of this report.

97 Resident Furnishings

Provides \$608,333 R and \$1,016,667 NR in receipts for replacing resident furnishings in poor condition in State mental health facilities.

98 Dorothea Dix Hospital Overflow Unit

Provides funding for the Dorothea Dix Hospital Overflow Unit, a 60-bed unit to remain open on the Dorothea Dix campus after the opening of the new Central Regional Hospital. Total requirements for this item are \$10,731,103 with \$4,767,760 in receipts from Wake County and \$751,177 in Medicaid receipts.

\$5,212,166 NR
96.85

The 60-bed unit will be staffed with a total of 174.75 FTEs, of which 77.9 will be funded by Wake County receipts and 96.85 are funded by State appropriation and Medicaid receipts. Position classifications, number of FTEs, and annual salaries for all 174.75 positions are listed below.

Physician III-B (5.75) - \$150,000 each, or \$862,500 in total
 Physician III-B (2) - \$160,000 each, or \$320,000 in total
 Physician IV-B (1) - \$150,000
 Physician III-A (.5) - \$80,000
 Psychiatric Unit Administrator II (1) - \$75,000
 Senior Psychologist I (1.5) - \$70,000 each, or \$105,000 in total
 Physician Extender II (3) - \$73,819 each, or \$221,457 in total
 Nurse Supervisor B (1) - \$70,000
 Nurse B (33) - \$50,000 each, or \$1,650,000 in total
 Nurse B (4) - \$57,000 each, or \$228,000 in total
 Health Care Technician I (62) - \$25,000 each, or \$1,550,000 in total
 Health Care Technician II (4) - \$30,000 each, or \$120,000 in total
 Clinical Social Worker (6.5) - \$44,862 each, or \$291,603 in total
 Social Work Supervisor (1) - \$46,268
 Clinical Pharmacist (1) - \$95,000
 Clinical Dietitian I (1) - \$51,692
 Office Assistance IV (1) - \$25,495
 Occupational Therapist I (1.5) - \$57,548 each, or \$86,322 in total
 Therapeutic Recreational Specialist I (2.5) - \$34,237 each, or \$85,593 in total
 Rehabilitation Therapist (9) - \$30,000 each, or \$270,000 in total
 Advocate I (.5) - \$21,500
 Word Processor IV (1) - \$25,495
 Personnel Technician III (1) - \$42,536
 Office Assistant IV (3) - \$25,495 each, or \$76,485 in total
 Utilization Review Nurse (1) - \$45,000
 Patient Relations Representative V (1) - \$30,000
 Medical Records Assistant IV (1.5) - \$30,000 each, or \$45,000 in total
 Housekeeping Supervisor II (1) - \$24,767
 Floor Maintenance Assistant (1) - \$23,310
 Housekeeper (8.5) - \$23,310 each, or \$198,135 in total
 Kitchen Manager (1) - \$35,000
 Food Services Supervisor (1) - \$28,000
 Cook II (3) - \$25,000 each, or \$75,000 in total
 Food Services Assistant (6) - \$24,000 each, or \$144,000 in total
 Diet Clerk (1) - \$25,000
 Pharmacy Technician (1) - \$30,000.

99 Realignment of Mental Health Trust Fund Funding for Housing Initiative

Realigns unallocated funding from the Mental Health Trust Fund to the Housing Trust Fund to continue the Housing Initiative.

(\$2,000,000) NR

100 Continuing the Housing Initiative - Housing Trust Fund

Provides \$7,000,000 in non-recurring funding (\$2,000,000 of which is realigned from the Mental Health Trust Fund) for the financing of additional independent- and supportive-living apartments for people with disabilities. The apartments shall be affordable to those with incomes at the Supplemental Security Income (SSI) level.

The funds for this item are located in the Housing Finance Agency section of this report.

101 Continuing the Housing Initiative - Operating Cost Subsidy

Provides funding for operating cost subsidies for independent- and supportive-living apartments for individuals with disabilities. The apartments shall be affordable to those with incomes at the SSI level.

\$1,000,000 R

102 Julian F. Keith ADATC Pharmacy

Provides funding for four positions to create a pharmacy program at the Julian F. Keith Alcohol and Drug Abuse Treatment Center (ADATC) to serve the expanded acute treatment beds.

\$472,785 R

4.00

The Substance Abuse Prevention and Treatment Block Grant includes \$70,000 for one-time start-up costs associated with the pharmacy.

Position classifications, number of FTEs, and annual salaries are as follows:

- Clinical Pharmacist (1) - \$110,000
- Pharmacy Technician (2) - \$32,345 each, or \$64,690 in total
- Pharmacy Manager I (1) - \$120,536.

103 Early Intervention for Autism

Provides funding for services for children ages 0-10 with autism (i.e., autism early intervention), as follows:

\$1,875,000 R

\$750,000 to the Autism Society of North Carolina for training and collaboration with model programs and community agencies to increase availability of autism early intervention services.

\$1,125,000 for the department to contract directly for three model programs of early intervention services.

104 Autism Awareness and Education Video

Provides funding to develop a video for autism education and awareness for public officials, including judicial branch officials. Funds will be allocated to the Treatment and Education of Autistic and Related Communication-Handicapped Children (TEACCH) at the University of North Carolina at Chapel Hill.

\$30,000 NR

Senate Subcommittee on Health and Human Services

FY 08-09

105 Supportive Services for HUD 811 Projects	\$129,331	R
Provides funding for on-going operations and start-up expenses to support 6 two-bedroom and 19 one-bedroom apartments financed through the United States Department of Housing and Urban Development.	\$155,000	NR
106 Program Service Funding for Group Homes	\$200,000	R
Provides funding for on-going program service funding for two group homes under development by the Mental Health Association in N.C., Inc.		
107 Traumatic Brain Injury Services	\$1,000,000	R
Provides funding for the provision of traumatic brain injury (TBI) services.		
108 Beyond Academics: Intellectual Disability Transition Program	\$200,000	NR
Provides funding to support Beyond Academics, a non-degree university-based program for students with developmental disabilities to assist them in living as independently as possible.		
(11.0) Division of Health Service Regulation		
109 Increase Staff for Reviewing Construction Plans	\$787,918	R
Provides funding for eight new positions for the Construction program to provide a more timely review of construction plans for health care and local confinement facilities. The funding for these positions will be offset by increased fees that will be deposited into the General Fund as non-tax revenue. Positions classifications, FTEs, and annual salaries are listed below.	\$34,110	NR
	8.00	
Building System Engineer III (1) - \$85,184 Facility Architect II (3) - \$74,213 each, or \$222,639 in total Building System Engineer II (2) - \$74,213 each, or \$148,426 in total Building System Engineer I (1) - \$64,762 Processing Assistant IV (1) - \$31,132.		
(12.0) Division of Vocational Rehabilitation		
110 Vocational Rehabilitation Case Services Program		
Reduces funding due to a decline in the number of consumers served.	(\$2,000,000)	NR
<hr/>		
Budget Changes	(\$184,206,080)	R
	\$21,473,807	NR
Total Position Changes		296.85
Revised Total Budget	\$4,937,468,080	
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**NATURAL
&
ECONOMIC
RESOURCES
Section H**

Agriculture and Consumer Services

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$60,699,001

Budget Changes

Agronomic Services

1 Soil Receiving Position	\$31,872	R
Establishes a Research Technician position to track the increasing number of incoming soil samples for lime and fertilizer analysis and recommendations.		1.00

Department Wide Receipts

2 Over-Realized Receipts to Replace Appropriation	(\$331,990)	R
Incorporates \$331,990 in over-realized receipts from the following sources:		

Pesticide Registration	\$151,990
Phytosanitary	\$55,000
Seed Dealer's License	\$10,000
Weight and Measures Fee	\$65,000
Calibration Fee	\$30,000
Fertilizer Tax	\$20,000

This reduction was included in the Governor's recommended reduction to the Department.

Emergency Programs

3 Receipt Supported Position
 Allows for the creation of a Business & Technology Applications Analyst in Emergency Programs. This position will develop applications and provide information technology support as it relates to maintaining the Multi-Hazard Threat Database. It will be paid for by a federal grant.

Business & Technology Applications Analyst \$79,219

Food and Drug

4 Receipt Supported Position
 Allows for the creation of an Agricultural Microbiologist II in Food and Drug. This position will be developing methodology to test for staphylococcal enterotoxins in a variety of food matrices that currently do not have any approved methods. It will be paid from federal receipts.

Agricultural Microbiologist II \$47,305

5 Over-Realized Receipts to Replace Appropriation (\$130,000) R

Incorporates \$130,000 in over-realized receipts from the following sources:

Noncan Pet Food Registration	\$45,000
Feed Analysis Fees	\$15,000
Drug Registration	\$45,000
Drug License Fee	\$25,000

This reduction was included in the Governor's recommended reduction to the Department.

Food Distribution

6 Farm to School Program \$200,000 NR

Re-establishes the NC Farm to School Program by providing seed money to the Division. This program will be self-supporting beginning in FY 2009-10.

Marketing

7 Over-Realized Receipts to Replace Appropriation (\$145,000) R

Incorporates \$145,000 in over-realized receipts from the following sources:

Gate/Admission Fee	\$75,000
Rental of Real Property	\$70,000

This reduction was included in the Governor's recommended reduction to the Department.

8 Marketing Funds \$50,000 NR

Funds shall be used for the promotion of agriculture festivals in small towns with populations less than 5,000. The amount per festival shall not exceed \$5,000.

Meat and Poultry

9 Food Safety and Security Positions \$141,335 R

Creates two additional food safety positions to provide food safety and security inspections as mandated by the USDA's Food Safety and Inspection Service. These positions are funded on a 50/50 split with the federal government. Establishing these positions will allow three new plants to open.

\$2,705 NR
2.00

Reserves and Transfers

10 Operating Efficiency Reductions (\$750) R

Reduces non-profit pass-through funding by the following amounts:

Ag in the Classroom	\$250
Future Farmers of America	\$500

Standards

11 Receipt Supported Positions

Allows for the creation of two receipt supported positions within the Standards Division. Both are funded from the Highway Fund.

The Standards Inspector I position responsible for testing retail motor fuel dispensers and responding to consumer complaints concerning meter accuracy and operation of the dispensers.

The Chemistry Technician II is responsible for testing fuel quality, primarily at retail locations and collecting fuel samples for the Motor Fuels Lab, and responding to complaints and requests concerning fuel quality.

Standards Inspector I	\$39,405
Chemistry Technician II	\$34,694

Veterinary Services

12 Receipt Supported Position

Allows for the creation of a Medical Laboratory Technologist III. This position will develop and validate new viral and bacterial molecular tests for the BSL lab and provide surge laboratory testing support. This position is funded from a federal grant.

Medical Lab Technologist II	\$67,672
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13 Transfer Support Positions from Federal Funding to State Appropriations

\$117,417 R

Transfers three federally funded administrative support positions to State appropriation due to a reduction in federal funds.

3.00

14 Rollins Lab Incinerator and Freezers

Appropriates funds to replace the incinerator at Rollins Lab and provide two freezers for the regional laboratory system.

\$525,000 NR

Budget Changes	(\$317,116)	R
	\$777,705	NR
Total Position Changes		6.00
Revised Total Budget	\$61,159,590	

Senate Subcommittee on Natural and Economic Resources

Labor

GENERAL FUND

FY 08-09

Total Budget Approved 2007 Session

\$16,594,951

Budget Changes

Elevator and Amusement Device Bureau

15 Receipt Supported Positions

Allows for the creation of two field supervisors in the Elevator and Amusement Device Bureau. These positions will be wholly receipt supported from fees charged for inspections.

2 Elevator and Amusement Device Field Supervisors \$174,000

Occupational Safety and Health

16 Replace Partially Funded Positions

\$51,392 R

Provides funds to make one OSHA Safety Officer and one Processing Assistant V wholly State supported. These positions are currently funded 50% State and 50% federal. Federal funds have been frozen, leaving the positions vacant. Moving these two positions to full State support will allow the Department to fill the positions to assist with increasing OSH inspections.

1.00

Budget Changes

\$51,392 R

Total Position Changes

1.00

Revised Total Budget

\$16,646,343

Environment & Natural Resources

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$192,815,663

Budget Changes

(1.0) Department Wide

17 Administration and Leasing Offices Operating Efficiencies (\$46,057) R

Reduces the following line items:

Administration Telephone	\$ 1,592
Administration Maintenance Agree-Serve	\$ 256
Regional Offices Leasing Budgets	\$44,209

This reduction was included in the Governor's recommended reduction to the Department.

(2.0) Coastal Management

18 Coastal Management Operating Efficiencies (\$14,886) R

Reduces the following line items in the Division of Coastal Management:

Temp Wages	\$7,250
Aid to Cities and Towns	\$6,836
Computer/Data Processing	\$ 800

This reduction was included in the Governor's recommended reduction to the Department.

(2.0) Environmental Health

19 Environmental Health Operating Efficiencies

(\$394,833) R

Reduces the following line items in the Division of Environmental Health:

Other Contracts/Grants	\$ 39,297
Trans Air-Out-State	\$ 11,145
Autos, Trucks, & Bus	\$ 2,633
Trailers	\$ 2,632
Rent/Lease Motor Vehicles	\$ 1,932
Transp-Grnd-In State	\$ 1,932
Rent/Lease Motor Vehicles	\$ 1,059
Aid To Counties*	\$105,600
Aid to Cities and Towns*	\$224,400
Other Facility & Hardware	\$ 1,000
Other Materials & Supplies	\$ 1,172
Postage, Freight	\$ 1,000
Print, Bind, Duplicate	\$ 594
Lodging-In-State	\$ 437

This reduction was included in the Governor's recommended reduction to the Department.

*These items reduce the Mosquito Control Fund.

(2.0) Land Resources

20 Land Resources Operating Efficiencies

(\$19,343) R

Reduces the following line items the Division of Land Resources:

Rent/Lease Motor Vehicles	\$16,019
Misc. Contractual Services	\$ 1,088
Misc. Contractual Services	\$ 1,215
Computer/Data Processing	\$ 1,021

This reduction was included in the Governor's recommended reduction to the Department.

(2.0) Pollution Prevention & Env. Assistance

21 Pollution Prevention and Environmental Assistance Operating Efficiencies (\$6,004) R

Reduces the following line items in Pollution Prevention and Environmental Assistance:

Trans Air-Out-State	\$1,000
Lodging-Out-State	\$1,000
General Office Supplies	\$1,000
Rent-Lease Motor Vehicle	\$1,000
Meals-In-State	\$ 250
Registration Fees	\$1,000
PC/Printer Equipment	\$ 754

This reduction was included in the Governor's recommended reduction to the Department.

(2.0) Waste Management

22 Waste Management Operating Efficiencies (\$15,501) R

Reduces the following line items in the Division of Waste Management:

Transportation Air-Out of State	\$2,000
Transp-Grnd-In State	\$5,000
Other Materials & Supplies	\$2,000
Rent/Lease Motor Vehicles	\$1,500
Meals-In-State	\$ 473
Telephone	\$2,000
Lodging-Out of State	\$1,000
Meals-Out of State	\$ 500
Internet Service	\$ 600
Postage, Freight	\$ 428

This reduction was included in the Governor's recommended reduction to the Department.

23 Receipt Supported Positions

Allows for the creation of six positions for the inactive hazardous sites program. These positions are being created in response to the passage of SB 1492 (S.L. 2007-550) which created a new program to assess and correct the hazards posed by old unlined landfills. The hydrogeologist positions will review hydrogeological assessment plans and reports, conduct groundwater and surface water assessments, and oversee contamination remediation. The Environmental Engineer II will establish and direct state contracts to address cleanup, including reviewing design specifications and other engineering documents. The Environmental Program Supervisor II will supervise these staff members.

4 Hydrogeologist II	\$301,012
1 Environmental Engineer II	\$ 80,650
1 Environmental Program Supervisor II	\$ 80,401

24 Receipt-Supported Positions

Allows for the creation of two new positions for the Dry Cleaning Solvent Cleanup Program. The Environmental Specialist will inspect dry cleaning facilities in the eastern part of the State. The Environmental Senior Specialist will serve as an enforcement specialist, providing technical support to field inspectors for facilities with serious compliance violation. This position will also provide technical assistance to operators in ensuring that violations are addressed.

1 Environmental Specialist	\$60,224
1 Environmental Senior Specialist	\$67,871

(2.0) Water Quality

25 Water Quality Operating Efficiencies

(\$73,960) R

Reduces the following line items in the Division of Water Quality:

Furniture-Office	\$ 940
Service & Other Award	\$ 388
Equipment-Scientific/Med	\$ 3,864
Equipment-Scientific/Med	\$ 9,365
Carpentry & Hardware	\$ 4,050
Sand, Gravel, Concrete	\$ 2,000
Other Facility & Hardware	\$ 1,500
Other Materials & Supplies	\$ 4,500
Lodging-In State	\$ 3,560
Other Materials & Supplies	\$ 2,000
Meals-In-State	\$ 1,500
Meals-Out of State	\$ 1,500
Registration Fees	\$ 3,501
Security & Safety Supplies	\$ 2,500
Scientific Supplies	\$ 3,500
Office Equipment	\$ 3,000
Equipment-Scientific/Med	\$ 2,500
Other DP Equipment	\$20,792
Other Computer Software	\$ 3,000

This reduction was included in the Governor's recommended reduction to the Department.

26 Swine Farm Permitting and Compliance Positions

\$108,550 R

Transfers three existing positions for swine farm permitting and compliance program to General Fund positions. The positions are funded by the Smithfield Grant through December 2008.

3.00

27 Water Quality Monitoring on Ferry Vessels

\$384,355 NR

Provides funds for the FerryMon and ModMon Programs which evaluate water quality in the Pamlico Sound, tributary rivers, and the Neuse River using equipment attached to ferry vessels.

(2.0) Water Resources

28 Water Resources Operating Efficiencies (\$33,408) R

Reduces the following line items in the Division of Water Resources:

Meals-In-State	\$5,000
Rent/Lease Motor Vehicles	\$5,000
Registration Fees	\$2,000
Other Materials & Supplies	\$5,000
Furniture-Office	\$2,000
Other DP Equipment	\$3,000
Other Equipment	\$1,649
Other Expenses	\$2,000
Emp Education Assist	\$2,000
Membership Dues & Subs	\$1,000
Data Processing Supp	\$1,000
Education Supplies	\$1,000
PC/Printer Equipment	\$1,000
General Office Supplies	\$1,000
Textbooks	\$ 759

This reduction was included in the Governor's recommended reduction to the Department.

29 River Basin Water Supply Planning \$482,384 R

Provides funding for five new positions to work on river basin water supply plans to ensure sustainability of the State's water supplies in each river basin. Provides funding to strengthen the water use database, as well as funding to perform instream flow studies. Also provides funding for staff support to the State's river basin commissions. Funds may be used to pay for expenses associated with the river basin commissions.

\$26,000 NR
5.00

(3.0) Aquariums

30 Transfer Oyster Hatchery Research Funding to Marine Fisheries (\$600,000) R

Transfers \$600,000 to the Division of Marine Fisheries to fund the Oyster Sanctuary Program.

31 Aquariums Operating Efficiencies (\$114,754) R

Reduces the following line items in for the Aquariums:

Advertising	\$31,842
Printing	\$ 234
General Contracting	\$28,209
Vehicles	\$49,469
Other Expenses	\$ 5,000

This reduction was included in the Governor's recommended reduction to the Department.

(3.0) Forest Resources

32 Forest Resources Operating Efficiencies (\$412,278) R

Reduces the following line items in the Division of Forest Resources:

Straight Overtime Pay	\$ 50,052
Overtime Pay	\$352,053
Holiday Pay	\$ 10,173

This reduction was included in the Governor's recommended reduction to the Department.

33 Forest Development Fund (\$589,500) R

Eliminates the General Fund appropriation to the Forest Development Fund and makes the fund fully receipt supported. An associated fee increase will offset the reduction and provide additional income to support the Forest Development Fund. It is anticipated that \$2,846,509 will be available for the fund in FY 2008-09.

(3.0) Marine Fisheries

34 Transfer Commercial License Receipt Positions to State Appropriations \$500,000 R

Transfers 16 partially funded positions from commercial license receipts to State appropriations due to the decline in receipts. The net effect of this transfer is 8.62 FTE. 8.62

35 Oyster Sanctuary Program \$2,000,000 R

Provides funds to establish six positions for the Oyster Sanctuary Program in the Division of Marine Fisheries. Also provides funds for the equipment, operations, and materials needed to run the program. 6.00

(3.0) Museum of Natural Sciences

36 Museum Operating Efficiencies (\$50,242) R

Reduces the following line items in for the Museum:

Office Furniture	\$ 5,000
Other DP Equipment	\$ 45,242

This reduction was included in the Governor's recommended reduction to the Department.

(3.0) Office of Environmental Education

37 Environmental Education Operating Efficiencies (\$2,413) R

Reduces the following line items in the Office of Environmental Education:

Office Equipment	\$1,708
Other Expenses	\$ 705

(3.0) Parks and Recreation**38 Parks and Recreation Operating Efficiencies** (\$235,177) R

Reduces the following line items in the Division of Parks and Recreation:

Other Equipment \$235,177

This reduction was included in the Governor's recommended reduction to the Department.

(3.0) Soil and Water Conservation**39 NC Agriculture Cost Share Financial Assistance** (\$268,331) R

Reduces the financial assistance side of the Agriculture Cost Share program.

This reduction was included in the Governor's recommended reduction to the Department.

40 Lagoon Conversion Program \$72,633 R

Continues the lagoon conversion program established in S.L. 2007-523. The program awards grants to assist in converting existing anaerobic lagoon animal waste management systems to more technologically advanced animal waste management systems. Creates an Environmental Engineer II position to provide technical assistance and oversee the implementation of the grants.

\$14,294 NR
1.00

41 Travel Funding for Soil and Water Conservation Districts \$50,000 NR

Provide additional funds to reimburse Soil and Water Conservation District supervisors for travel related expenses.

(3.0) Zoo**42 NC Zoological Park Operating Efficiencies** (\$50,473) R

Reduces the following line items for the Zoo:

Other Motorized Vehicles \$50,473

This reduction was included in the Governor's recommended reduction to the Department.

(4.0) Reserves and Transfers**43 Clean Water State Revolving Fund Match** \$2,456,249 NR

Provides funds to meet the 20% State match requirement for drawing down the maximum available federal funds for the Wastewater Treatment Plant (Clean Water) State Revolving Fund.

44 Drinking Water State Revolving Fund Match \$5,539,000 NR

Provides funds to meet the 20% State match requirement for drawing down the maximum available federal funds for the Drinking Water State Revolving Fund.

Budget Changes	\$236,407	R
	\$8,469,898	NR
Total Position Changes	23.62	
Revised Total Budget	\$201,521,968	

Senate Subcommittee on Natural and Economic Resources

DENR-Clean Water Management Trust Fund

GENERAL FUND

Total Budget Approved 2007 Session	FY 08-09 \$100,000,000
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Budget Changes

45 Statutory Appropriation Pursuant to G.S. 113A-253.1
No legislative adjustments.

Budget Changes

Total Position Changes

Revised Total Budget \$100,000,000

Commerce

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$45,289,341

Budget Changes

A. Administrative Services

- 46 Administrative Services Operating Efficiencies** (\$18,215) R
 Reduces the Computer/Data Processing line item in the Administrative Services budget. This reduction was included in the Governor's recommended reduction to the Department.

B. Executive Aircraft

- 47 Aircraft Lease** (\$1,156,428) NR
 Delays the lease of a replacement aircraft for the King Air B-200. The Department will not take receipt of the new aircraft until June 2009.
- 48 Executive Aircraft Operating Efficiencies** (\$20,651) R
 Reduces the Other Insurance line item in the Executive Aircraft budget. This reduction was included in the Governor's recommended reduction to the Department.

C. Science and Technology

- 49 Science and Technology Operating Efficiencies** (\$2,628) R
 Reduces the Miscellaneous Contractual Service line item in the Science & Technology budget. This reduction was included in the Governor's recommended reduction to the Department.

D. MIS

- 50 Management Information Services (MIS) Operating Efficiencies** (\$9,727) R
 Reduces the Office Furniture line item in the MIS budget. This reduction was included in the Governor's recommended reduction to the Department.

E. Policy and Research

- 51 Policy and Research Operating Efficiencies** (\$8,916) R
 Reduces the Misc. Contractual Service line item in the Policy and Research budget. This reduction was included in the Governor's recommended reduction to the Department.

52 Economic Development Information System

Provides funds for the continued expansion of the Economic Development Information System (EDIS) and to increase the ability of the Department to provide strategic economic impact analysis.

\$150,000 NR

F. Marketing

53 Marketing Operating Efficiencies

Reduces the Print, Bind, Duplicate line item in the Marketing budget. This reduction was included in the Governor's recommended reduction to the Department.

(\$8,042) R

54 Commerce Webmaster

Provides funds to establish a webmaster position within the Department of Commerce. The position will be responsible for both editorial and marketing content for the Department's website, and will provide division content authors with editorial oversight to ensure Commerce's overall message stays unified throughout the site. In addition, the position will support the implementation of metrics-based marketing analytics to track the website's effectiveness and then manage Internet-based marketing programs to increase both site traffic and site effectiveness.

\$78,900 R

1.00

55 Transfer High Point Furniture Market Funds to State Aid

Transfers the pass-through appropriation to the High Point International Home Furnishings Market Authority Corporation to the Commerce - State Aid fund code. Most recurring funding for non-profits that passes through Commerce is in the State Aid budget.

(\$875,000) R

G. Business and Industry

56 Business and Industry Operating Efficiencies

Reduces the following line items in the Business and Industry Division:

(\$41,768) R

Janitorial Services	\$ 6,000
Trans. Air In-State	\$10,000
General Office Supplies	\$10,768
Advertising	\$10,000
Emp. Education Asst.	\$ 5,000

This reduction was included in the Governor's recommended reduction to the Department.

H. International Trade

57 International Trade Operating Efficiencies (\$19,146) R

Reduces the following line items in the International Trade Division:

Advertising	\$10,000
Trans. Air Out-of-State	\$ 5,000
Lodging - Out-of-Country	\$ 4,146

This reduction was included in the Governor's recommended reduction to the Department.

58 International Affairs Council (\$19,000) R

Eliminates the pass-through appropriation to the International Affairs Council.

59 Performance Bonuses & Inflationary Increases \$25,000 R

Provides \$10,000 to provide a performance increase for staff in five foreign trade offices. Also provides \$15,000 for inflationary increases for these offices.

I. Tourism, Film, and Sports Development

60 Tourism, Film, and Sports Development Operating Efficiencies (\$88,926) R

Reduces the following line items in the Tourism, Film, and Sports Development Division:

Lodging Out-of-Country	\$ 8,926
Postage, Freight, & Delivery	\$40,000
Trans. Air Out-of-Country	\$ 5,000
Print, Bind, Duplicate	\$20,000
Memberships, Dues, & Subscrip.	\$10,000
General Office Supplies	\$ 5,000

This reduction was included in the Governor's recommended reduction to the Department.

J. Welcome Centers

61 Welcome Center Operating Efficiencies (\$6,923) R

Reduces the following line items in the Welcome Centers budget:

Trans. Ground	\$4,000
Clothing & Uniforms	\$2,923

This reduction was included in the Governor's recommended reduction to the Department.

K. Wanchese Seafood Industrial Park

62 Wanchese Operating Efficiencies (\$3,339) R

Reduces the Repairs - Buildings line item in the Wanchese Seafood Industrial Park budget. This reduction was included in the Governor's recommended reduction to the Department.

L. Commerce Finance

- 63 Commerce Finance Operating Efficiencies** (\$4,080) R
 Reduces the PC Software line item in the Commerce Finance budget. This reduction was included in the Governor's recommended reduction to the Department.
- 64 One North Carolina Fund** \$5,000,000 NR
 Provides funds for One North Carolina to offer economic development incentive grants to businesses creating new jobs in the State for infrastructure, repair and renovation, and machine or equipment purchases.
- 65 One North Carolina Small Business** \$3,410,500 NR
 Appropriates funds for the Department of Commerce to provide grants under the North Carolina SBIR/STTR Incentive Program.
- 66 Green Business Fund** \$1,000,000 NR
 Appropriates funds to the NC Green Business Fund to provide grants to private businesses with less than 100 employees, non-profit organizations, and State agencies to encourage the growth of a green economy in the State.

M. Community Assistance

- 67 Community Assistance Operating Efficiencies** (\$21,518) R
 Reduces the following line items in the Division of Community Assistance:

Transp.- Ground In-State	\$ 4,016
Office Furniture	\$ 2,500
Office Equipment	\$ 1,500
PC/Printer Equipment	\$12,002
PC Software	\$ 1,500

This reduction was included in the Governor's recommended reduction to the Department.

N. Industrial Commission

68 Industrial Commission Operating Efficiencies (\$49,623) R

Reduces the following line items in the Industrial Commission budget:

Legal Services	\$ 4,000
Misc. Contractual Serv.	\$ 4,000
Repairs - Bldgs	\$10,000
Print, Bind, Duplicate	\$ 2,000
Registration Fees	\$ 1,500
Other Employee Education	\$ 500
Data Processing Supplies	\$ 5,000
Other Materials & Supplies	\$ 2,000
Office Equipment	\$ 9,500
Other Equipment	\$ 500
Library & Learning Res.	\$ 8,523
Memberships, Dues, & Subscrip.	\$ 2,100

This reduction was included in the Governor's recommended reduction to the Department.

69 Receipt Supported Position

Allows for the creation of a Technology Application Specialist in the Industrial Commission. The position will assist in the replacement of the Electronic Document Management System (EDMS), and will be paid from the compromised settlement fee being used to support replacement of the EDMS system.

Technology Application Specialist \$110,620

70 Continuation Review of the Safety Inspection Program (\$671,665) R

Changes the funding for the Safety Inspection Program in the Industrial Division to non-recurring. This program is subject to continuation review.

\$671,665 NR

O. Wine and Grape Growers Council

71 Receipt Supported Positions

Allows for the creation of the following receipt supported positions for the Wine and Grape Growers Council:

2 Tourist Information Specialists \$132,476

These positions will assist the Executive Director in responding to the growing demand for marketing and consultative work among grape growers and wineries in the State. The Grape Growers Council is fully supported by receipts from the excise tax collected on unfortified wine (G.S. 105-113.81A). Those receipts will also support the additional positions.

Budget Changes	(\$1,765,267)	R
	\$9,075,737	NR
Total Position Changes	1.00	
Revised Total Budget	\$52,599,811	

Commerce - State Aid

GENERAL FUND

FY 08-09

Total Budget Approved 2007 Session

\$21,361,485

Budget Changes

72 Non-Profit Operating Efficiencies	(\$213,615)	R
Reduces pass-through appropriations to non-profits by one percent.		
73 Eliminate Fund Balance for Manchester CDC, Inc.	(\$10,000)	NR
Eliminates a fund balance for Manchester CDC, Inc. These funds were appropriated for this entity in FY 2005-06, but were never drawn down.		
74 Transfer Furniture Market Funds to State Aid	\$866,250	R
Transfers the pass-through appropriation to the High Point International Home Furnishings Market Authority Corporation from the Commerce fund code and reduces the appropriation by one percent. All recurring funding for non-profits that passes through Commerce is in the State Aid budget.		
75 Coalition of Farm and Rural Families	\$158,943	NR
Provides funds to the Coalition of Farm and Rural Families.		
76 Johnson and Wales University	\$1,000,000	NR
Provides funds to Johnson and Wales University in Charlotte, a private university that specializes in the culinary and hospitality industries.		
77 Defense and Security Technology Accelerator	\$1,500,000	NR
Provides funds for the Partnership for Defense Innovation to support the Defense and Security Technology Accelerator, a business incubator focusing on economic development opportunities in industries relating to homeland security and national defense.		
78 e-NC Authority	\$2,500,000	NR
Provides funds to the e-NC Authority to increase the availability of internet connectivity in underserved areas of the State.		

79 Community Development Initiative

Provides funds to the North Carolina Community Development Initiative, Inc. to provide mini-environmental and conservation grants under its existing Green Fund conservation-based affordable housing program. Grants will be used to reduce energy costs, conserve water, and provide other environmental benefits.

\$1,000,000 NR

Budget Changes

\$652,635 R

\$6,748,943 NR

Total Position Changes**Revised Total Budget**

\$28,763,063

Senate Subcommittee on Natural and Economic Resources

N.C. Biotechnology Center

GENERAL FUND

FY 08-09

Total Budget Approved 2007 Session

\$15,583,395

Budget Changes

80 Biotech Center Operating Efficiencies

(\$155,834) R

Reduces the pass-through appropriation to the NC Biotechnology Center by one percent.

(\$155,834) R

Budget Changes

Total Position Changes

Revised Total Budget

\$15,427,561

Senate Subcommittee on Natural and Economic Resources

Rural Economic Development Center

GENERAL FUND

Total Budget Approved 2007 Session	FY 08-09
	\$24,302,607

Budget Changes

- | | | |
|--|--------------|----|
| 81 Rural Center Operating Efficiencies | (\$243,026) | R |
| Reduces the pass-through appropriation to the Rural Center by one percent. | | |
| 82 Water, Sewer, and Natural Gas Funds | \$50,000,000 | NR |
| Appropriates additional funds to the Rural Center to provide grants to local units of government to address critical needs related to supplying drinking water, wastewater treatment, and natural gas lines. | | |

Budget Changes	(\$243,026)	R
	\$50,000,000	NR
Total Position Changes		
Revised Total Budget	\$74,059,581	

JUSTICE
&
PUBLIC SAFETY
Section I

Judicial

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$452,389,917

Budget Changes

Appellate

1 Expansion of Innocence Inquiry Commission	\$121,537	R
Funding is provided for two (2) new positions, Investigator and Secretary II, to provide adequate support to the Innocence Inquiry Commission.	\$18,537	NR
	2.00	

Department-wide

2 Reduce Telephone Service	(\$927,972)	R
Reduce funding for telephone service charges. Should SB 2107 become law, effective July 1, 2008, a special reserve fund will be used, instead of the General Fund, to pay for the monthly service charges for the AOC and county courthouse telephone systems.		

3 Reduce Telephone Equipment	(\$730,277)	R
Reduce funding for telephone equipment. Should SB 2107 become law, effective July 1, 2008, a special reserve fund will be used, instead of the General Fund, to purchase and install AOC and county courthouse telephone systems.	(\$1,695,084)	NR

4 Funds to Assist Low Income Home Owners	\$200,000	R
Funds are provided to the North Carolina State Bar to provide \$100,000 R to the Land Loss Prevention Project and \$100,000 R to the Financial Protection Law Center for the provision of legal assistance to low-income consumers in cases involving predatory mortgage lending, mortgage broker and loan services abuses, foreclosure defense, and other legal issues that relate to helping low-income consumers avoid foreclosure and home loss.		

District Attorneys

5 Restore DA Conference Funds	\$401,289	R
Governor's Recommendation: restore the recurring funds for the Conference of District Attorneys. The funds were eliminated pending the findings of a continuation review.	5.00	

6 New Prosecutor Positions	\$300,021	R
Funding is provided for three (3) new Assistant District Attorney Positions to be allocated as recommended by AOC:	\$11,295	NR
	3.00	

- 1.0 Mecklenburg
- 1.0 Wake
- 1.0 Harnett, Johnston, Lee

7 Receipt-Supported Positions - Mecklenburg

The Mecklenburg County DA's Office may establish three (3) time-limited Assistant District Attorney positions using funds provided by Mecklenburg County and/or the city of Charlotte:

Assistant District Attorney 3.0

Sentencing Commission

8 Sentencing and Policy Advisory Commission Staff

\$102,913 R

Funds are provided for a Senior Research and Policy Associate to assist the Commission with the formulation of sentencing laws and policy and with various research activities requested by the Legislature.

\$11,527 NR

1.00

Trial Courts

9 Dispute Resolution Centers

(\$90,024) R

Funding is reduced since three centers are no longer in operation.

10 Restore Clerks Conference Funding

\$121,402 R

Governor's Recommendation: restore recurring funding for the Clerks of Superior Court Conference. The funds were eliminated pending the findings of a continuation review.

2.00

11 Guardian ad Litem Program Staff

\$318,664 R

Funding is provided for 3 new program supervisor positions and to upgrade a part-time program supervisor position to full time. In addition, funds are provided to upgrade 7 program assistant positions from part time, 0.75 FTE, to full time.

\$8,478 NR

5.00

12 New Deputy Clerk Personnel

\$395,550 R

Provides funding for 10 new Deputy Clerk positions to more effectively manage Superior and District Court caseloads.

\$23,070 NR

10.00

13 New District Court Judge Positions

\$226,236 R

Funding is provided for three (3) new district court judge positions effective January 15, 2009. The positions shall be allocated as recommended by AOC:

\$29,496 NR

3.00

- Dist 26 Mecklenburg
- Dist 10 Wake
- Dist 11 Harnett, Johnston, Lee

Senate Subcommittee on Justice and Public Safety

FY 08-09

14 New Magistrate Positions

\$287,310 R
 \$47,620 NR
 10.00

Funding is provided for 10 new magistrate positions, effective 01/01/09, to be allocated as recommended by AOC:

County	# Positions
Durham	1.0
Forsyth	1.0
Gaston	1.0
Guilford	1.0
Mecklenburg	4.0
Wake	2.0

15 New District Court Judicial Support Staff

\$72,039 R
 \$9,999 NR
 3.00

Funding is provided for three (3) District Court Judicial Assistant I positions, effective 01/15/09.

Budget Changes

\$798,688 R
 (\$1,535,062) NR

Total Position Changes

44.00

Revised Total Budget

\$451,653,543

Judicial - Indigent Defense

GENERAL FUND

FY 08-09
\$115,991,348

Total Budget Approved 2007 Session

Budget Changes

Department-Wide

16 Reduce Various Operating Budgets	(\$200,000)	R
Governor's Recommendation: eliminate inflationary increases and reduce various operating line items such as lodging, transportation, supplies, etc.		

Indigent Person Attorney

17 Funding for Private Assigned Counsel	\$1,135,000	NR
Provide \$1,135,000 NR to address the increased demands for private assigned counsel as a result of continued growth and indigency rates.		
18 Eliminate Public Defender Expansion Funds	(\$1,570,057)	R
Eliminate the funds provided in S.L. 2007-323 to expand the number of public defender offices and attorney positions around the state.		

Sentencing Services

19 Funding for Local Programs	\$200,000	NR
Funding is provided to maintain grants for local Sentencing Services programs operated by non-profit agencies at the FY 2007-08 level.		

Budget Changes	(\$1,770,057)	R
	\$1,335,000	NR

Total Position Changes

Revised Total Budget	\$115,556,291
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Senate Subcommittee on Justice and Public Safety

Justice

GENERAL FUND

FY 08-09

Total Budget Approved 2007 Session

\$92,171,670

Budget Changes

Department-Wide

20 Reduce Various Operating Budgets	(\$356,525)	R
Recommend that inflationary increases be eliminated and budgets be reduced across various line items.	(\$411,959)	NR

Justice Training Academy

21 Program Assistant V	\$33,621	R
Recommendation that funding be provided for one new Program Assistant V position to support the law enforcement in-service training program.	1.00	

Legal Services

22 Receipt Supported Positions
 New staff positions to be funded with receipts from agencies that receive legal services from the Department.

Accounting Tech III - Department of Public Instruction \$51,064
 Paralegal II - Administrative Office of the Courts \$61,301

SBI

23 Forensic Firearms Analysts	\$133,784	R
Funding for two non-sworn Forensic Firearm Analysts. These positions are approved in an effort to expedite the processing of firearm and ballistic evidence analysis, which will lead to faster conviction rates for violent crimes. Agency seized and forfeited asset funds should be used to pay for any nonrecurring costs associated with the establishment of these positions. These positions are to be located in the following laboratories:	2.00	

Raleigh Crime Laboratory 1.0
 Asheville Crime Laboratory 1.0

Budget Changes	(\$189,120)	R
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	(\$411,959)	NR
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Total Position Changes	3.00
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Revised Total Budget	\$91,570,591
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Juvenile Justice & Delinquency Prevention

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$139,556,104

Budget Changes

Administrative Services

24 Reduce Budget for Board & Non-Employee Travel (\$14,000) R
 The Governor recommends reducing the Board & Non-Employee Transportation and Subsistence budget based on prior year expenditures.

Department-Wide

25 Reduce Various Operating Budgets (\$725,954) R
 The Governor recommends that inflationary increases be eliminated and budgets be reduced across various line items. (\$25,000) NR

Detention Services

26 New Psychologist Positions \$367,979 R
 The Governor recommends one Psychologist position at each of the state's nine Detention Centers to provide mental health services for youth in detention. \$8,910 NR
9.00

27 Additional Detention Staffing \$309,743 R
 Expand the staff at Detention Centers to address the staffing needs of the facilities that are consistently over capacity. \$2,437 NR
20.00
 15 Youth Counselor Technicians
 3 Youth Monitor Supervisors
 2 Cooks

28 New Nurse Position \$36,298 R
 The Governor recommends adding a nurse position at the Cumberland Juvenile Detention Center. This Center has the largest population of the state's nine centers. The services are currently provided through a contract, but it has been difficult to recruit and retain contractual staff. \$990 NR
1.00

Intervention/Prevention

29 Restore JCPC Funding \$22,652,860 R
 The Governor recommends the funding be restored for the Juvenile Crime Prevention Councils (JCPC). The appropriation for the JCPCs was eliminated for FY 2008-09 pending the findings of a Continuation Review.

30 Expand JCPC County Allocation \$200,000 R
 Increase funding for the JCPC County formula allocation which goes to all 100 counties.

Special Initiatives

- | | | |
|---|---------------|---|
| 31 Eliminate funds for the Eckerd EFFORT project | (\$2,695,662) | R |
| Due to administrative barriers to implement the project as envisioned, funding for the Eckerd EFFORT project is eliminated. | | |
| 32 Operating funds for the Macon County MPGH | \$600,000 | R |
| Provide funds for recurring operating funds for the state-owned Macon County Multipurpose Group Home. Non-recurring start-up funds were provided in the 2007 Session. | | |

Support Our Students

- | | | |
|--|-------------|---|
| 33 Reduce Administrative Contracts for SOS | (\$200,000) | R |
| Reduce the amount budgeted for miscellaneous contracts for the evaluation of the Support Our Students (SOS) program. | | |

Youth Development Centers

- | | | |
|---|-------------|----|
| 34 Reduce funding for Triad YDC | (\$624,321) | NR |
| Reduce continuation budget funding for Triad Youth Development Center because of construction delays. | | |

Budget Changes	\$20,531,264	R
	(\$636,984)	NR
Total Position Changes	30.00	
Revised Total Budget	\$159,450,384	

Correction

GENERAL FUND

FY 08-09

Total Budget Approved 2007 Session

\$1,226,627,581

Budget Changes

Alcoholism and Chemical Dependency Programs

- | | | |
|---|--|--------------------|
| <p>35 Substance Abuse Treatment Program for Females</p> <p>Provides funding for a 50-bed substance abuse treatment program for female parolees and probationers. Both 28-day and 90-day programs would be provided for approximately 300-360 females per year. Currently, the department does not have a treatment program for this population, although demand is estimated to be 4,725 parolees and probationers per year. The program would be located at the Black Mountain Correctional Center for Women, which will be vacated as the current inmates are relocated to a new facility.</p> | <p>\$1,543,150</p> <p>\$348,218</p> <p>35.00</p> | <p>R</p> <p>NR</p> |
| <p>36 Inmate Drug and Alcohol Addiction Treatment</p> <p>Increases capacity for treating drug and alcohol addiction by providing ten additional contract beds to house male inmates who are being provided intensive treatment for drug and alcohol abuse and addiction. These funds shall be used solely to house and treat these inmates and to maximize the treatment facility's capability to provide intensive treatment to chemically dependent male inmates.</p> | <p>\$239,805</p> | <p>R</p> |

Community Corrections

- | | | |
|--|-------------------------------------|--------------------|
| <p>37 Reserve for Probation Supervision</p> <p>Establishes a reserve fund to address critical resource needs in Probation and Parole Field Services. The designation of funds is pending the findings of a performance review by the National Institute of Corrections. Of these funds, \$500,000 is non-recurring and non-reverting.</p> | <p>\$2,000,000</p> <p>\$500,000</p> | <p>R</p> <p>NR</p> |
| <p>38 Probation Officer Interface to Court Information</p> <p>Appropriates \$140,000 NR to develop an interface between the case management functions of the Offender Population Unified System (OPUS) of the Department of Correction and the Automated Court Information System. This interface will provide probation parole officers with access to up-to-the-minute information on arrests and pending charges of offenders on probation. These funds are non-recurring and non-reverting.</p> | <p>\$140,000</p> | <p>NR</p> |
| <p>39 Restore CJPP Funding</p> <p>The Governor recommends the funding be restored for the Criminal Justice Partnership Program (CJPP). The appropriation for the CJPP was eliminated for FY 2008-09 pending the findings of a Continuation Review.</p> | <p>\$9,153,134</p> | <p>R</p> |

Senate Subcommittee on Justice and Public Safety

FY 08-09

40 Criminal Justice Partnership Expansion \$200,000 R
 Increases the appropriation to the State County Criminal Justice Partnership Program by \$200,000. These additional funds will be allocated based on the program's existing funding formula.

41 Increase Women at Risk Pass-Through \$100,000 NR
 Increases the current \$350,000 recurring appropriation by \$100,000 NR. This program provides community-based treatment for females probationers. This appropriation also expands services in 10 Western counties, including Buncombe, Henderson, McDowell, Rutherford, Yancey, Madison, Haywood, Jackson, Transylvania, and Polk.

42 Increase Summit House Pass-Through \$100,000 NR
 Increases the current \$1,231,293 appropriation to Summit House by \$100,000 NR. This program provides housing and support services to women on probation and their children.

Custody and Security

43 Reduce Budget for Building/Acquisition Costs (\$175,000) R
 Reduces the budget for building/acquisition costs based on prior year expenditures. (\$125,000) NR

Department Management

44 Support Positions for Construction Projects \$1,143,091 R
 Provides funding for five engineers and one architect to support current and future design and construction work related to department facilities. These positions are necessary to maximize the benefits of the Inmate Construction Program and realize a cost savings of 28% compared to using outside contractors. \$543,491 NR
 6.00

Department-Wide

45 Reduce Various Operating Budgets (\$1,300,000) R
 Reduces the following FY 2008-09 inflationary increases and budgets throughout the Department of Correction: Short Term Disability Payments(\$500,000 R), Building/Office Leases (\$300,000 R), Energy - Natural Gas/Propane (\$500,000 R, \$500,000 NR), Longevity (\$250,000 NR), and Equipment (\$500,000 NR). (\$1,250,000) NR

46 Increase Federal Alien Assistance Receipts (\$1,549,375) R
 The State Criminal Alien Assistance Program (SCAAP) provides federal funds to states to offset the cost of incarcerating undocumented aliens, over \$3.8 million annually for North Carolina. The federal budget indicates that this assistance will increase by \$1,549,375 for the coming year. This item budgets those increased receipts, offsetting the continuation budget for the Department.

Prison Health Services

47 Reduce Various Medical Budgets	(\$6,639,426)	R
Reduces various medical budget items within the Division of Prisons. This item eliminates the FY 2008-09 inflationary increases and reduces budgets for Prescription Drugs (\$1,800,000 R, \$100,000 NR), Medical Contractual Employees (\$1,500,000 R), Hospital Provided Medical Services (\$1,150,000 R, \$2,600,000 NR) and Other Provided Medical Services (\$2,189,426 R, \$300,000 NR).	(\$3,000,000)	NR
48 Increase Medical Recoupment Receipts	(\$2,150,000)	R
Increases the budgeted receipts for medical recoupment. These receipts have been over-collected for the last two fiscal years.		

Prisons

49 Our Children's Place Administration	\$50,000	NR
Provides funds for a contractual position to oversee services to incarcerated mothers and their children during the period of their incarceration.		

Reserves

50 North Carolina GangNet	\$260,000	NR
Provides funds to Durham County to enhance North Carolina GangNet, an Internet-based law enforcement intelligence sharing database that contains information about known gang members. This database has been available in Durham County for several years and is now being expanded statewide through federal funds. Through this appropriation, GangNet will be enhanced through the incorporation of gang data currently collected in the Offender Population Unified System (OPUS), which is maintained by the Department of Correction.		

Budget Changes	\$2,465,379	R
	(\$2,333,291)	NR
Total Position Changes	41.00	
Revised Total Budget	\$1,226,759,669	

Crime Control and Public Safety

GENERAL FUND

FY 08-09

Total Budget Approved 2007 Session

\$41,489,037

Budget Changes

Administration

51 Law Enforcement Support Services

Funding for warehouse rental costs. This program provides federal surplus equipment to local law enforcement free of charge.

\$160,000 NR

Department - Wide

52 Reduce Various Operating Budgets

Governor's recommendation that the following FY 2008-09 budgets be reduced throughout the department: Administrative Services (\$25,000NR) Miscellaneous Contractual Services (\$98,100R), Rent Building/Office (\$45,000NR) Rent/Lease Other Data Processing Equipment (\$46,900R), Lodging In-State (\$15,482R), Other Employee Educational Expense (\$50,421NR) and General Office Supplies (\$20,000NR)

(\$160,482) R

(\$140,421) NR

Emergency Management

53 Regional Response Teams

There are currently seven Hazardous Materials (HAZMAT) Regional Response Teams in the state. These HAZMAT teams respond to incidents such as the explosion and fire at the EQ chemical storage facility in Apex. To ensure adequate statewide coverage for hazardous material emergencies, the Governor's HAZMAT Task Force recommended in its December 2006 report that funding be provided to support the operating needs and equipment replacement for the HAZMAT teams.

\$200,000 NR

Governor's Crime Commission

54 Grants for Domestic Violence Programs

Funding for grants to programs that provide assistance to victims of domestic violence.

\$100,000 NR

55 Crime Commission Study

Funds are provided for a contract to study the legal, systematic, and organizational impact of expanding the jurisdiction of the Department of Juvenile Justice and Delinquency Prevention to include persons 16 and 17 years of age.

\$200,000 NR

Senate Subcommittee on Justice and Public Safety

FY 08-09

56 Illegal Immigration Project

Funding to the Governor's Crime Commission to contract with the North Carolina Sheriffs' Association for immigration enforcement services. This funding will be used for technical assistance and training associated with immigration enforcement.

\$500,000 NR

57 Reserve for Sheriff Department Grants

Should SB 869 become law, funds are provided to establish a reserve for the Governor's Crime Commission to award grants of up to \$25,000 each to eligible sheriffs' offices to assist with the enforcement of the State's sex offender laws.

\$250,000 NR

National Guard

58 National Guard Kids on Guard Program

funding to support Operation Kids on Guard, a non profit program created specifically for children of the North Carolina National Guard as a way to assist children in coping with deployment fears and understanding why their parents are away from home.

\$200,000 NR

59 Continuation Review - Tarheel Challenge Academy

Tarheel Challenge Program funding is provided for the Tarheel Challenge Program for FY 2008-09 only. Restoration of recurring funds is subject to the findings of the continuation review.

(\$1,100,000) R
\$1,100,000 NR

Victim Compensation Services

60 Funding for the Rape Victim Assistance Program

Funding to support the Rape Victim Assistance Program. This appropriation will allow for the expansion of the program's victim eligibility criteria allowing the program to pay bill co-pays for rape victims that have a collateral source of payment and 100 percent of forensic exam costs for rape victims that have no collateral source of payment.

\$1,078,078 R

Budget Changes

(\$182,404) R

\$2,569,579 NR

Total Position Changes

Revised Total Budget

\$43,876,212

**GENERAL
GOVERNMENT
Section J**

Administration

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$70,959,534

Budget Changes

1264 Agency for Public Telecommunications

1 Camera and Recording Equipment

The use of \$70,000 in receipts are authorized to fund a video production package that provides high definition (HDTV) capabilities.

1421 Facilities Management

2 Energy Reserve Savings

(\$203,000) R

Annual Energy Savings from 2007 Energy Reserve in the amount of \$203,000.

1511 Purchasing and Contracts

3 Personnel Reductions

(\$92,739) R

Eliminates the salaries and related fringe benefits of one vacant State Procurement Specialist III (\$47,352 - 4108-0404-0006-740) and one vacant State Procurement Specialist II (\$45,387 - 4108-0405-0006-704).

-2.00

531211	Salaries	(92,739)
531511	Soc. Security	(7,095)
531521	Retirement	(7,261)
531561	Medical Ins.	(8,314)

1623 State Capital Police

4 Additional State Capitol Police Officers

\$100,000 R

Provides funding for two new positions to increase police visibility through bike and foot patrols on the streets and in the parking decks in and around the government complex.

2.00

Recurring		FY 2008-09
531231	Salaries	\$ 62,400
531411	Overtime Pay	\$ 5,000
531411001	Straight-Time OT	\$ 5,000
531511	Social Security	\$ 5,539
531531	Retirement	\$ 9,289
531561	Medical Insurance	\$ 8,314
533150	Sec. & Safety Supplies	\$ 2,000
533510	Clothing & Uniforms	\$ 2,458
Total Recurring		\$100,000

1734 Rape Crisis Program

5 Sexual Assault/Rape Crisis Funds

\$1,000,000 R

Provides \$1 million in recurring funding to the Sexual Assault and Rape Crisis Center Fund for sexual assault and rape crisis services.

1810 State Ethics Commission

6 Ethics Commission

\$123,034 R

Provides funding for one Attorney position (\$82,960) and associated recurring expenses (\$7,675) and \$230,000 nonrecurring for contractual services to reduce the backlog of work. Additional funds are provided for the purchase of law books (\$10,000 recurring) and a legal research tool (\$5,400 recurring).

\$233,000 NR
1.00

Recurring		FY 2008-09
531231	Salary	\$ 82,960
531511	Social Security	\$ 6,346
531531	Retirement	\$ 6,496
531561	Medical Insurance	\$ 4,157
532XXX	Travel/Telecom/Equip	\$ 5,675
532140	Other IT Services	\$ 5,400
532850	Print Law Books	\$ 10,000
533XXX	Supplies	\$ 2,000

Non-Recurring		FY 2008-09
53XXXX	Contractual Services	\$230,000
534XXX	Office Furniture/Equip	\$ 3,000

7 Lease and Moving Expenses

\$60,000 R

Funding is provided for lease and moving expenses associated with relocating the State Ethics Commission from its present location in the Administration Building.

\$5,000 NR

8 Operating Budget Reductions

(\$6,655) R

Recurring reduction of \$6,655 in the following expenditure accounts:

532181	Seminars	(4,195)
532714	In-State Grnd Trans.	(1,960)
534534	PC/Printer Equip.	(500)

1861 Commission of Indian Affairs

9 NC Indian Economic Development Initiative, Inc.

The Governor recommends funding to continue the work of the North Carolina Indian Economic Development Initiative, Inc.

\$135,000 NR

7218 Mail Service Center

10 Letter Sorting Machine

Provides funds to replace a 15-year-old mail-sorting machine.

\$300,877 NR

7251 State Parking System**11 Continuation Review - State Parking Office**

Changes the funding for the State Parking Office to non-recurring. Restoration of FY 2009-10 funds is subject to findings of the Continuation Review. State Parking Office receipts for FY 2008-09 total \$1,618,418.

Department-wide**12 Decrease Operating Budget**

(\$63,184) R

Reduces operating support for Managed LAN Service (532822).

13 Decrease Operating Budget

(\$499,171) R

The Governor recommends a recurring reduction of \$499,171 in the operating budget.

Department-wide:

1111	531649	Governor's Pages	(5,000)
	534534	PC/Printer Equip.	(2,000)
1121	534534	PC/Printer Equip.	(9,000)
1122	534534	PC/Printer Equip.	(1,200)
1123	532170	Admin. Services	(20,000)
	532199	Misc. Contr. Services	(40,000)
	532731	Non-Empl. Transp.	(26,000)
	532813	Teleconf. Charges	(11,000)
	534534	PC/Printer Equip.	(1,000)
1230	534534	PC/Printer Equip.	(1,000)
1241	532822	Managed LAN Serv.	(32,917)
	534534	PC/Printer Equip.	(10,000)
1264	534534	PC/Printer Equip.	(10,000)
1311	532821	Computer/DP Serv	(33,833)
	532822	Man. LAN Service	(42,291)
1411	532811	Telephone Serv.	(10,000)
	534534	PC/Printer Equip.	(44,000)
1412	534534	PC/Printer Equip.	(12,000)
1421	534534	PC/Printer Equip.	(24,000)
1466	535900	Other Expenses	(45,000)
1511	532170	Admin. Services	(18,000)
	532822	Managed LAN Serv.	(5,000)
	533110	Office Supplies	(5,000)
	533120	DP Supplies	(19,000)
	534534	PC/Printer Equip.	(23,000)
1731	534534	PC/Printer Equip.	(1,500)
1732	534534	PC/Printer Equip.	(2,500)
1734	534534	PC/Printer Equip.	(1,500)
1742	534534	PC/Printer Equip.	(1,500)
1761	534534	PC/Printer Equip.	(1,400)
1771	534534	PC/Printer Equip.	(5,000)
1861	534534	PC/Printer Equip.	(2,500)

14 Eliminate Vacant Positions

(\$141,614) R

Four vacant positions are eliminated:

-4.00

Title	Position Number	Salary
Tech. Support Technician	4119-0000-0007-479	\$26,247
Housekeeping Supervisor	4151-0304-0008-422	\$29,317
Gen. Utility Worker	4151-0400-0009-416	\$25,287
Bldg & Environmental Sup.	4151-1100-0013-024	\$27,380

531211 Salaries	(108,231)
531511 Soc. Security	(8,280)
531521 Retirement	(8,475)
531561 Medical Ins.	(16,628)

Budget Changes

\$276,671 R

\$673,877 NR

Total Position Changes

-3.00

Revised Total Budget

\$71,910,082

Auditor

GENERAL FUND

Total Budget Approved 2007 Session	FY 08-09
	\$12,746,479

Budget Changes

1110 Administration

1 ITS Hosting Services	\$82,128	R
Funding is provided for ITS hosting services for the non-governmental audit project approved in the previous fiscal year.		

Department-wide

2 Budget Over-realized Receipts	(\$366,066)	R
Budgets over-realized receipts in the amount of \$366,066.		

Budget Changes	(\$283,938)	R
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Total Position Changes

Revised Total Budget	\$12,462,541
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Cultural Resources

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$71,881,424

Budget Changes

1120 Administrative Services

1 Information Technology Consolidation	\$224,800	R
Funding is provided to support incremental costs for statewide infrastructure consolidation.		

1210 Archives and History

2 African American Heritage Commission	\$32,500	R
Funding is provided to establish an African American Heritage Commission to increase awareness across the state about preservation of African American history and culture.		

Recurring:

532199	Misc. Contractual Services	\$17,500
532714	Trans. Grnd In-State	\$ 3,500
532721	Lodging In-State	\$ 2,600
532724	Meals In-State	\$ 1,500
533110	General Office Supplies	\$ 1,500
532811	Telephone Service	\$ 900
532850	Printing	\$ 4,000
532840	Post., Freight & Delivery	\$ 1,000

3 CSS Neuse Funds	\$75,000	NR
Appropriates \$75,000 to provide adequate climate-controlled housing for the CSS Neuse, a Civil War-era ironclad gunboat. The relic is a designated historic site in the Division of Archives and History, and needs proper storage and preservation to prevent its loss.		

4 International Civil Rights Museum	\$500,000	NR
Appropriates \$500,000 for capital costs of a civil rights museum. The Department will pass these funds to the nonprofit organization Sit-In Movement, Inc.		

1241 State Historic Sites

5 Bentonville Battlefield Fund	
Receipts generated from the Bentonville Historic Site will be transferred to the Bentonville Battlefield Fund.	

1260 Office of State Archaeology**6 Queen Anne's Revenge Archaeology Project**

Increases operational support for the Queen Anne's Revenge archaeological project. These funds will sustain major recovery efforts, conservation, and analysis of artifacts and images from the 18th century shipwreck.

\$150,000 NR

1330 NC Arts Council**7 Arts Council Basic Grants**

Provides nonrecurring funds for the competitive Basic Grants Program in the Arts Council to be awarded through the formal application process.

\$175,000 NR

8 cARTwheels

Funding is provided for the cARTwheels touring program.

\$750,000 NR

9 Grassroots Arts Program Funds

Funds are provided to the Grassroots Arts Program in the Arts Council.

\$400,000 NR

10 Matching Funds for John Coltrane Music Hall

Funds are provided to the High Point Area Arts Council, Inc. to construct and equip the John Coltrane Music Hall at the Community Arts Center in High Point. Funds are contingent on the Council raising an equal amount of funds from local sources.

\$100,000 NR

11 Penderlea Homestead Museum

Provides funds to the Department of Cultural Resources in the sum of \$25,000 to be allocated to Penderlea Homestead Museum, Inc. to preserve the agricultural history of Pender County's depression-era heritage.

\$25,000 NR

1340 North Carolina Symphony**12 Increase Appropriation for North Carolina Symphony**

Provides \$500,000 in non-recurring funds to the Symphony for operating support.

\$500,000 NR

1480 Statewide Programs and Grants**13 Aid to Public Libraries**

Increases the aid to public libraries by \$725,000 non-recurring. These funds will be distributed based on the existing formula for county library grants. The funds may be used for the purchase of books or for other operational expenses.

\$725,000 NR

Department-wide

14 Decrease Operating Budget

(\$696,933) R

Recurring reduction of \$696,933 in the operating budget.

Department-wide:

1110	532721	Lodging- In-State	(1,800)
	532840	Post., Frght & Delivery	(2,700)
	532850	Print., Bind & Duplicate	(3,600)
1120	532390	Repairs - Other	(900)
	532490	Maint. Agree. - Other	(7,555)
	532721	Lodging - In-State	(1,000)
	532942	Oth Empl. Educ. Exp.	(3,600)
	533120	Data Process. Supplies	(2,700)
	533900	Oth Mater./Supplies	(1,800)
	534539	Other Equipment	(2,700)
1210	532XXX	Purchased Services	(20,000)
	532199	Misc. Contract. Serv.	(1,000)
	532390	Repairs - Other	(1,000)
	532721	Lodging - In-State	(1,500)
	532811	Telephone Service	(4,070)
	533XXX	Supplies	(2,000)
	533110	General Office Supplies	(1,000)
	533900	Oth. Mater./Supplies	(588)
1220	532XXX	Purchased Services	(5,000)
	532850	Print., Bind & Duplicate	(5,133)
	533110	General Office Supplies	(1,000)
1230	532390	Repairs - Other	(1,000)
	532490	Maint. Agree. - Other	(1,500)
	532714	Trans.-Grnd-In-State	(2,000)
	532715	Trans.-Grnd-Out-Of-State	(1,000)
	532721	Lodging-In-State	(500)
	532727	Misc.-In-State	(2,500)
	532728	Misc. Sub-Out of State US	(1,000)
	532942	Oth Empl. Edu. Ex	(2,000)
	532840	Post., Frght & Delivery	(1,039)
	532850	Print., Bind & Duplicate	(500)
	533XXX	Supplies	(10,000)
	533110	General Office Supplies	(1,795)
	533990	Oth Mater./Supplies	(3,205)
	534511	Furniture - Office	(1,249)
	534539	Other Equipment	(13,631)
1241	532199	Misc. Contract. Serv.	(16,902)
	532390	Repairs - Other	(35,797)
	533900	Other Mater./Supplies	(8,679)
	534539	Other Equipment	(4,702)
	534541	Motor Vehicles	(3,652)
	534549	Other Motorized Vehicles	(4,033)
	534610	Art & Artifacts	(3,135)
1242	532310	Repairs - Buildings	(5,000)
	532333	Repairs - Oth Equip.	(2,000)
	533900	Oth Mater./Supplies	(12,517)
	534511	Furniture - Office	(936)
	534539	Other Equipment	(4,000)
1243	533900	Oth Mater./Supplies	(3,821)
1245	534XXX	Prop., Plant, Equip	(10,000)

	534539	Other Equipment	(10,926)
1250	532199	Misc. Contract. Serv.	(3,000)
	532714	Trans - Grnd In State	(3,000)
	533900	Oth Mater./Supplies	(3,060)
1260	532210	Energy Serv-Electrical	(3,500)
	532220	Energy Serv-Nat. Gas	(627)
	532230	Energy Serv-Water & Sewer	(180)
	532390	Repairs	(290)
	532490	Maint. Agree. - Other	(1,000)
	532715	Trans.-Out-of-State	(189)
	532811	Telephone Service	(2,000)
	533900	Oth Mater./Supplies	(631)
1290	532210	Eng. Serv - Electrical	(275)
	532390	Repairs - Other	(214)
	532721	Lodging -In-State	(500)
	532727	Misc.- In-State	(150)
	532811	Telephone Service	(600)
	532840	Post., Frght & Delivery	(150)
	533900	Oth Mater./Supplies	(1,000)
1320	532199	Misc. Contract. Serv.	(7,500)
	532714	Trans-Grnd In State	(3,000)
	532715	Trans Grnd-Out-of-State	(1,000)
	532721	Lodging - In-State	(1,000)
	532811	Telephone Service	(4,000)
	532840	Post., Frght & Delivery	(3,000)
	534610	Art & Artifacts	(21,450)
1330	534511	Office Furniture	(4,167)
	536932	Vagabond School of Drama	(465)
	536948	Lost Colony	(2,488)
	536971	NC Shakespeare Festival	(2,488)
	536990	Basic Grants Program	(41,813)
	536996	Grassroots Arts Program	(29,255)
1340	532490	Maint. Agree. - Other	(100)
	532811	Telephone Service	(300)
	532840	Post., Frght & Delivery	(500)
	533110	General Office Supplies	(100)
	536936	NC Symphony Soc. Inc.	(11,210)
1410	534630	Library & Learn. Resour. Coll.	(49,351)
1480	534631	Library & Learn. Resour. Coll.	(161,355)
	536963	Quiz Bowl Grant	(3,000)
1500	534610	Art & Artifacts	(63,116)
1992	537140	Maritime Museum	(1,500)
	537131	CSS Neuse	(1,000)
	537112	Museum of Art	(3,000)
	537137	Oteen Center	(2,145)
	537134	CHB Memorial	(500)
1584	538182	Trns to Spec Rev Fund	(18,180)

Budget Changes	(\$439,633)	R
	\$3,400,000	NR
Total Position Changes		
Revised Total Budget	\$74,841,791	

Cultural Resources - Roanoke Island Commission

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$2,020,023

Budget Changes

Department-wide

1 Energy Reserve Savings (\$15,000) R
Annual Energy Savings from 2007 Energy Reserve in the amount of
\$15,000.

Budget Changes (\$15,000) R

Total Position Changes

Revised Total Budget **\$2,005,023**

General Assembly

GENERAL FUND

Total Budget Approved 2007 Session	FY 08-09
	\$55,740,786

Budget Changes

1 Decrease Operating Budget	(\$636,000)	R
Recurring reduction of \$636,000 in agency reserves.		

2 Reduce Number of Budgeted Session Weeks	(\$245,000)	NR
Reduces the number of budgeted sessions from 31 to 30 weeks.		

Budget Changes	(\$636,000)	R
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	(\$245,000)	NR
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Total Position Changes

Revised Total Budget	\$54,859,786
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Governor

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$6,300,587

Budget Changes

Department-wide

1 Decrease Operating Budget (\$84,205) R

Recurring reduction of \$84,205 in the operating budget of the following accounts:

1110 Administration		
532430	Maint. Agreement-Equip.	(2,000)
532524	Rent/Lease Gen Office E	(2,000)
532711	Transp. Air-In-State	(2,000)
532712	Transp. Air-Out-Of State	(1,000)
532811	Telephone Service	(2,000)
532814	Cellular Phone Service	(3,503)
532930	Registration Fees	(4,000)
532900	Oth. Materials & Supplies	(4,000)
533XXX	Supplies	(10,000)
534XXX	Property, Plant, Equip	(5,000)
534534	PC/Printer Equipment	(8,000)
538156	Transfer to ITS	(25,202)
1200 Office of Citizens' Affairs		
532840	Post., Frght & Delivery	(2,000)
532850	Print., Bind & Duplicate	(1,000)
534XXX	Purchased Services	(10,000)
533XXX	Supplies	(500)
1230 Educational Programs		
532XXX	Purchased Services	(2,000)

Budget Changes (\$84,205) R

Total Position Changes

Revised Total Budget \$6,216,382

Housing Finance Agency

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$9,608,417

Budget Changes

Home Protection Program

1	Home Protection Program	\$3,000,000	R
	Provides recurring funds to expand the Home Protection Program from 61 counties to statewide.		

Housing Trust Fund

2	Housing Assistance for Persons with Disabilities	\$7,000,000	NR
	Provides funding to the North Carolina Housing Trust Fund for the financing of additional independent- and supportive-living apartments for persons with disabilities. The apartments shall be affordable to those with incomes at the Supplemental Security income (SSI) level. A description of this item is located in the Health and Human Services, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services Section of this report.		

3	North Carolina Housing Trust Fund	\$2,000,000	R
	Appropriates additional recurring funds to support the Housing Trust Fund. This fund seeks to provide decent, safe, and affordable housing for North Carolina citizens with low to moderate incomes. The trust fund currently expends \$8 million per year; this expansion will increase that expenditure to \$10 million recurring.		

Budget Changes	\$5,000,000	R
	\$7,000,000	NR

Total Position Changes

Revised Total Budget	\$21,608,417
-----------------------------	---------------------

Insurance

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$30,936,704

Budget Changes

1200 Company Services Group

1 Insurance Examiner II

\$166,080 R
 \$12,000 NR
 2.00

Funds are provided for two Insurance Examiner II positions (\$63,584) for the Financial Evaluation Division. These positions will provide regulatory oversight emphasizing licensing and financial solvency for approximately 140 Professional Employer Organizations (PEO) that employ thousands of North Carolina residents.

Recurring	FY 2008-09
531211 Salaries	\$127,168
531511 Social Security	\$ 9,728
531521 Retirement	\$ 9,957
531561 Medical Insurance	\$ 8,366
532512 Rent/Lease-Bld/Off.	\$ 4,200
532712 Trans Air-Out State	\$ 800
532714 Trans.-grnd in-state	\$ 600
532715 Trans.-grnd out-st.	\$ 100
532721 Lodging in-state	\$ 400
532722 Lodging out-of-state	\$ 600
532724 Meals in-state	\$ 200
532725 Meals out-of-state	\$ 200
532811 Telephone Service	\$ 800
532817 Internet Serv Chrg	\$ 960
533110 General Office Supp	\$ 1,000
533120 Data Processing Sup.	\$ 1,000
Total Recurring	\$166,080

Non-Recurring	
534534 PC/Printer Equipment	\$ 4,000
534511 Office Furniture	\$ 8,000
Total Non-Recurring	\$ 12,000

1400 Public Services

2 Insurance Regulatory Analyst I

\$297,412 R
 \$8,000 NR
 4.00

Funding is provided for additional Insurance Regulatory Analysts who travel to company locations in order to audit, analyze and review the records of agent companies that have complaints filed against them.

Recurring		FY 2008-09
531211	Salaries	\$200,000
531511	Social Security	\$ 15,300
531521	Retirement	\$ 15,660
531561	Medical Insurance	\$ 16,732
532712	Trans Air Out State	\$ 1,600
532714	Trans Grnd In State	\$ 20,000
532715	Trans Grnd Out State	\$ 200
532721	Lodging In State	\$ 12,000
532722	Lodging Out State	\$ 2,000
532724	Meals In State	\$ 6,000
532725	Meals Out of State	\$ 400
532811	Telephone Service	\$ 1,600
532817	Internet Serv Charge	\$ 1,920
533110	Office Supplies	\$ 2,000
533120	Data Processing Supp	\$ 2,000
Total Recurring		\$297,412

Non-Recurring		
534534	PC/Printer Equipment	\$ 8,000

1500 Office of the State Fire Marshal

3 Training and Inspection Travel

\$150,000 R

Funding is provided for training and travel related to state and federal mandates and the inspection of fire departments in the 1,512 fire districts requiring inspections every five years.

Budget Changes	\$613,492	R
	\$20,000	NR
Total Position Changes		6.00
Revised Total Budget	\$31,570,196	

Insurance - Volunteer Safety Workers' Compensat

GENERAL FUND

Total Budget Approved 2007 Session	<table border="1"><tr><td>FY 08-09</td></tr></table>	FY 08-09	\$4,500,000
FY 08-09			

Budget Changes		
1900 Reserves and Transfers		
1 Volunteer Safety Workers' Compensation Fund		
Reduces the General Fund appropriation to the Volunteer Safety Workers' Compensation Fund on a non-recurring basis. This reduction will not affect the solvency of the fund.	(\$1,150,000)	NR

Budget Changes	(\$1,150,000)	NR
Total Position Changes		
Revised Total Budget	\$3,350,000	

Lieutenant Governor

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$915,109

Budget Changes

1 NO LEGISLATIVE ACTION REPORTED.

Budget Changes

Total Position Changes

Revised Total Budget

\$915,109

Office of Administrative Hearings

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09

\$3,521,735

Budget Changes

1100 Administration

- | | | |
|--|--------------|-------|
| 1 Automated Rules Tracking System | \$49,140 | R |
| Funding is provided to replace the current Rules Automated Tracking System with a new system that enables increased public interaction and improved interagency communication processes. | \$253,400 | NR |
|
2 Information Technology Consolidation |
\$42,700 |
R |
| Funding is provided to support incremental costs for statewide infrastructure consolidation. | | |

Department-wide

- | | | |
|---|------------|---|
| 3 Decrease Operating Budget | (\$31,696) | R |
| Recurring reduction of \$31,696 in the operating budget for rent/lease. | | |

Budget Changes	\$60,144	R
	\$253,400	NR

Total Position Changes

Revised Total Budget	\$3,835,279	
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Revenue

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$85,330,611

Budget Changes

1605 Tax Information Management System

1 Replace Current Integrated Tax Administration System (ITAS)

Funding is provided for a new Tax Information Management System (TIMS), which will enable taxpayers to interact electronically with the Department of Revenue. For FY 2008-2009, \$15,000,000 is to be funded from fees collected through Project Collect Tax.

\$10,000,000 NR

1660 Examination and Collection

2 Budget Project Collect Fees

Transfers twenty-nine positions from appropriated to receipts-supported to generate a recurring reduction of \$1,363,567 in the operating budget.

(\$1,363,567) R

-29.00

Department-wide

3 Decrease Operating Budget

Recurring reduction of \$52,297 in the operating budget of the following accounts:

(\$52,297) R

531572	Unemp Comp Pmts	\$ 3,131
531631	Workers Comp Med Pmt	\$49,166
	Total Recurring	\$52,297

Budget Changes

(\$1,415,864) R

\$10,000,000 NR

Total Position Changes

-29.00

Revised Total Budget

\$93,914,747

Secretary of State

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$10,743,041

Budget Changes

1110 General Administration

1 Accountant I position

Provides funding for one Accountant I position (\$52,819) to support the budget section in the accounting and purchasing functions.

\$66,178 R
\$3,000 NR
1.00

Recurring	FY 2008-09
531211 Salaries	\$52,819
531511 Social Security	\$ 4,041
531521 Retirement	\$ 4,136
531561 Medical Insurance	\$ 4,183
Total Recurring	\$66,178

Non-Recurring	FY 2008-09
532XXX Purchased Services	\$ 500
533XXX Supplies	\$ 1,500
534XXX Property, Plant, Equip	\$ 2,000
Total Non-Recurring	\$ 3,000

1150 Lobbyist Registration

2 Lobbyist Registration Funds

\$37,653 R
 \$80,547 NR
 1.00

Funds are provided for one Office Assistant V (\$26,444) to provide manpower due to the enactment and amendment of the new lobbying law as recognized by OSBM in its January 2008 management study of the Lobbyist Division. An additional \$75,000 in nonrecurring funds is provided for contractual services to reduce the backlog of work.

Recurring		FY 2008-09
531211	Salaries	\$26,444
531511	Social Security	\$ 2,023
531521	Retirement	\$ 2,071
531561	Medical Insurance	\$ 4,157
532714	Trans.-grnd in-state	\$ 4,368
533110	General Office Supp	\$ 1,200
532811	Telephone Service	\$ 150
532430	Equip. Maint.	\$ 1,608
Total Recurring		\$37,653

Non-Recurring		
534534	PC/Printer Equipment	\$ 3,000
534511	Office Furniture	\$ 500
534521	Office Equipment	\$ 2,047
53XXXX	Misc. Contract Serv	\$75,000
Total Non-Recurring		\$80,547

1210 Corporations

3 Processing Asst V

\$35,845 R
 \$7,047 NR
 1.00

This position will assist in combining the cash management functions of the following units: corporations (both annual report and regular document filings), authentications, service of process, advance healthcare, and cable franchise.

Recurring		FY 2008-09
531211	Salaries	\$ 26,444
531511	Social Security	\$ 2,023
531521	Retirement	\$ 2,071
531561	Medical Insurance	\$ 4,157
532811	Telephone Service	\$ 150
533110	General Office Supp	\$ 1,000
Total Recurring		\$ 42,892

Non- Recurring		FY 2008-09
544XXX	Property, Plant, Equip	\$ 7,047
Total Non-Recurring		\$ 7,047

1230 Securities Registration

4 Paralegal II

The primary function of this position will be to administer the compliance of companies who offer securities in North Carolina which are covered under federal law.

\$47,201 R
 \$8,300 NR
 1.00

Recurring		FY 2008-09
531211	Salaries	\$ 35,585
531511	Social Security	\$ 2,722
531521	Retirement	\$ 2,786
531561	Medical Insurance	\$ 4,157
532714	Trans.-grnd in-state	\$ 500
532811	Telephone Service	\$ 500
532840	Postage	\$ 250
532850	Printing	\$ 250
532930	Registration	\$ 200
533110	General Office Supp	\$ 250
Total Recurring		\$ 47,201

Non-Recurring		
534534	PC/Printer Equipment	\$ 4,000
534511	Office Furniture	\$ 4,000
534521	Office Equip	\$ 300
Total Non-Recurring		\$ 8,300

Department-wide

5 Budgets Over-realized receipts

Budgets over-realized receipts in the amount of \$100,000.

(\$100,000) NR

6 Decrease Operating Budget

Recurring reduction in the operating budget.

(\$50,000) R

Department-wide:

1110	534535	Server Equipment	(20,000)
	534713	PC Software	(5,000)
	534714	Server Software	(6,000)
1120	532850	Print, Bind, Duplicate	(7,000)
1210	532840	Office Equipment	(2,000)
1220	533110	General Off. Supplies	(2,450)
1230	532942	Oth. Emp. Educ. Ex.	(1,000)
	535830	Membership Dues & Subsc	(6,550)

Budget Changes

\$136,877 R

(\$1,106) NR

Total Position Changes

4.00

Revised Total Budget

\$10,878,812

State Board of Elections

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$9,626,868

Budget Changes

1100 Administration

1 Administration Officer II \$46,970 R

Funding is provided to establish an Administrative Officer II (\$37,074) to manage personnel and budget responsibilities to allow the Deputy Director to concentrate on election-related matters.

1.00

Recurring	FY 2008-09
531211 Salaries	\$37,074
531511 Social Security	\$ 2,836
531521 Retirement	\$ 2,902
531561 Medical Insurance	\$ 4,157
Total Recurring	\$46,970

1200 Campaign Reporting

2 Three Disclosure and Education Specialists \$202,861 R

Funding is provided to establish three Disclosure and Education Specialists (\$54,956) in the Campaign Reporting Division to audit campaign finance reports and provide education to candidates, committees and the public.

3.00

Recurring	
531211 Salary	\$164,868
531511 Social Sec.	\$ 12,612
531521 Retirement	\$ 12,909
531561 Medical Insurance	\$ 12,471
Total Recurring	\$202,861

3 Time-Limited Position Changes \$59,887 R

Funding is provided to convert two time-limited audit specialists (\$59,887) to permanent positions to continue auditing campaign finance reports to reduce the backlog. The positions received funding through December 2008 in the 2007 Budget. One time-limited position is eliminated as of January 1, 2009.

-1.00

1300 Voter Registration & Voting Systems

4 Additional IT Personnel \$152,643 R
 Funding is provided for one Business & Technology Applications Analyst (\$75,000) and one Technology Support Analyst (\$50,000) to support the Statewide Elections Information Management System. 2.00

Recurring		FY 2008-09
531211	Salaries	\$125,000
531511	Social Security	\$ 9,563
531521	Retirement	\$ 9,788
531561	Medical Insurance	\$ 8,592

1901 HAVA Maintenance of Effort

5 Provide Help America Vote Act (HAVA) State Match \$168,708 NR
 Provides additional State funding to meet the obligatory 5% State Match of \$168,708 for federal Help America Vote Act (HAVA) of 2002 Title II requirements payment for Federal Fiscal Years 2008 and 2009.

Department-wide

6 Decrease Operating Budget (\$48,135) R
 Recurring reduction of \$48,135 in the operating budget of the LAN Support account.

Budget Changes	\$414,226	R
	\$168,708	NR
Total Position Changes		5.00
Revised Total Budget	\$10,209,802	

State Budget & Management

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$5,877,440

Budget Changes

1310 Office of State Budget

1 One Business and Technology Position \$99,139 R

Funding is provided for one Business and Technology Applications Specialist position (\$84,375) to perform administration of Oracle and SAS. 1.00

Recurring	FY 2008-09
531211 Salaries	\$ 82,250
531511 Social Security	\$ 6,292
531521 Retirement	\$ 6,440
531561 Medical Insurance	\$ 4,157
Total Recurring	\$ 99,139

Department-wide

2 Decrease Operating Budget (\$83,897) R

Recurring reductions of \$83,897 in the operating budget to the following accounts:

Department-wide:

532199 Misc. Contractual Services	(23,897)
532430 Maint. Agreement-Equip.	(8,000)
532712 Travel/Emp Expenses	(20,000)
532712 Transp. Air-Out-Of-State	(3,000)
532721 Lodging-In-State	(2,000)
532722 Lodging-Out-Of-State	(6,000)
532811 Telephone	(5,000)
532941 Employee Educ. Assist.	(5,000)
533100 Gen Administrative Supplies	(3,000)
534XXX Property, Plant, Equipment	(8,000)

Budget Changes **\$15,242 R**

Total Position Changes 1.00

Revised Total Budget **\$5,892,682**

State Budget and Management - Special

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$5,621,446

Budget Changes

1023 Fire Protection Grants

1 Fire Protection Grant \$300,000 R

The Governor recommends funding the fire protection grants-in-aid program on a recurring basis in order to assist local fire districts that provide fire protection and other services to state-owned facilities. In 2007-08, \$300,000 was appropriated on a one-time basis.

1900 Reserves and Transfers

2 North Carolina State Veterans Park \$15,000,000 NR

Funding is provided to construct the North Carolina State Veterans Park, which includes a formal garden, a visitors center, and a Freedom Trail.

3 Reserve for Military Morale, Recreation, & Welfare \$750,000 NR

Funding is provided for the reserve for military morale, recreation, and welfare to sustain historical grants to military installations to provide community service and quality-of-life programs for military members and their families in North Carolina.

Budget Changes **\$300,000 R**

\$15,750,000 NR

Total Position Changes

Revised Total Budget **\$21,671,446**

State Controller

GENERAL FUND

Total Budget Approved 2007 Session	FY 08-09
	\$20,727,698

Budget Changes

Department-wide

1 Decrease Operating Budget	(\$110,940)	R
Recurring reduction of \$110,940 in the operating budget of the Data Processing account.		

Budget Changes	(\$110,940)	R
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Total Position Changes

Revised Total Budget	\$20,616,758
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Treasurer

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$9,326,190

Budget Changes

1210 Investment Division

1 Investment Management Positions \$763,829 R

Funds are provided for 2 salary increases and 6 new positions. The new positions include one Senior Portfolio Manager position (\$160,000), 3 Portfolio Manager/Sr. Credit Analyst positions (\$70,000), and 2 Investment/Credit Analyst positions (\$55,000).

6.00

The existing Senior Portfolio Manager position (Pos. No. 3430-2611-2100-110 and 3430-2611-2100-113) salaries will increase to \$160,000.

Recurring	FY 2008-09
531211 Salaries	\$ 639,840
531511 Social Security	\$ 48,978
531521 Retirement	\$ 50,099
531561 Medical Insurance	\$ 24,942
Total Recurring	\$ 763,829

1410 Retirement Operations

2 Audit State Employee Service Records

Nonrecurring receipts in the amount of \$1,200,000 for FY 2008-09 are authorized for financial/audit services to audit State employee service records.

3 Four Business & Technology App. Analysts

Funds are provided for four Business and Technology Application Analysts (\$75,469) for ORBIT support. All expenditures will be funded with receipts.

Recurring	FY 2008-09
531211 Salaries	\$301,876
531511 Social Security	\$ 23,094
531521 Retirement	\$ 23,636
531561 Medical Insurance	\$ 16,628
Total Recurring	\$365,234

Budget Changes	\$763,829	R
Total Position Changes	6.00	
Revised Total Budget	\$10,090,019	

Treasurer - Retirement for Fire and Rescue

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$9,458,957

Budget Changes

1412 Gen. Fund Contribution to Fire Pension Fund

1 Increase Retirement Benefits

\$1,027,851 R

Increases the benefits in the Fireman's and Rescue Squad Workers' Pension Fund from \$167 to \$170 per month for retirees and future retirees effective July 1, 2008.

Budget Changes

\$1,027,851 R

Total Position Changes

Revised Total Budget

\$10,486,808

TRANSPORTATION

Section K

Senate Subcommittee on Transportation

Highway Fund

HIGHWAY FUND

Total Budget Approved 2007 Session

FY 08-09
\$1,810,990,000

Budget Changes

Administration

- 1 Janitorial Contracts** \$601,581 R
Increases funds to support contracted janitorial services at DOT facilities statewide.
- 2 Repairs and Renovations** \$9,084,221 NR
Provides funds for repairs and renovations of department facilities located throughout the state.
- 3 Reduction to Administrative Budgets** (\$12,000,000) R
Reduces funds for central administration within DOT.

Division of Motor Vehicles

- 4 Driver License Vertical Format** \$50,000 NR
Provides funds for the implementation of a vertical driver license format for drivers under 21 years of age. These funds shall not be expended unless HB 2487 or substantially similar legislation is enacted during the 2008 General Assembly.
- 5 Space Requirements** \$195,266 R
Increases funds for overall space needs at six driver license offices to meet standards for customer service delivery and increased staff and equipment. Offices are located in Asheboro, Brevard, Kenansville, Lumberton, Marshall and Wallace.
- 6 IT Requirements - Property Tax Collection**
Provides funds for the planning and detail design of an information technology project necessary for meeting the requirements of HB1779. The nonrecurring funding requirement for FY2008-09 is \$4,873,099 and the source is the Combined Motor Vehicle and Registration Account, held in the NC State Treasurer's Office.
- 7 IT Requirements - Database Project**
Provides funds to create a database of vehicle property tax data necessary for meeting the requirements of HB1779. The nonrecurring funding requirement for FY2008-09 is \$367,200 and the source is the Combined Motor Vehicle and Registration Account, held in the NC State Treasurer's Office.

Senate Subcommittee on Transportation

FY 08-09

8 Postage Costs

\$1,815,111 R

Increases funds for additional postage necessary to comply with statutory requirements of HB 267, requiring central issuance of all driver licenses effective July 1, 2008.

Ferry Division

9 Ferry Division

\$1,000,000 NR

Provides additional funds for the ferry maintenance facility in Manns Harbor.

Maintenance

10 System Preservation

\$24,542,804 NR

Provides funds for highway maintenance activities that preserve and extend the life of infrastructure assets, including pavement, bridges, traffic signals and other roadside features.

11 Continuation Review of Spot Safety Program

(\$9,100,000) R
\$9,100,000 NR

Changes the funding for the Spot Safety Program from recurring to non-recurring. This program is subject to continuation review.

Rail Division

12 Grants to Short-Line Railroads

\$1,000,000 NR

Provides funds to continue the grant program supporting short-line railroad companies. The funds are used to rehabilitate and strengthen North Carolina's short-line infrastructure.

Statutory Adjustments

13 Secondary Road Construction Program

\$1,807,592 R

Adjusts funding for secondary road construction based on revised projections for motor fuels tax revenue in accordance with G.S. 136-44.2A.

14 Leaking Underground Storage Tank Fund

(\$185,000) R

Adjusts budget for the Leaking Underground Storage Tank Fund based on projections for the motor fuels inspection fee in accordance with G.S.119-18.

15 Aid to Municipalities

\$1,807,592 R

Adjusts funding for aid to municipalities based on revised projections for motor fuels tax revenue in accordance with G.S. 136-41.1.

Transfers

16 Driver Education Program

\$616,491 R

Increases funds for the Driver Education Program to support an increase in the average daily membership of students eligible for driver education training in FY2008-09.

Senate Subcommittee on Transportation

FY 08-09

17 New Positions

Transfers funds from the Highway Fund to the Department of Agriculture and Consumer Services for the support of one Gas and Oil Inspector position and one Chemistry Technician II position. The recurring amount of \$84,749 includes salary, benefits, vehicle operating expenses, office supplies and cell phone services. The non-recurring amount of \$99,350 includes vehicles, testing and computer equipment.

\$84,749	R
\$99,350	NR
2.00	

18 Leaking Underground Storage Tank Fund Reduction

Reduces appropriation to the Leaking Underground Storage Tank Fund, thus making funds available to support two positions in the Department of Agriculture and Consumer Services. (See Item 15).

(\$84,749)	R
(\$99,350)	NR

Budget Changes	(\$14,441,367)	R
	\$44,777,025	NR
Total Position Changes	2.00	
Revised Total Budget	\$1,841,325,658	

Senate Subcommittee on Transportation

Highway Trust Fund

HIGHWAY TRUST FUND

Total Budget Approved 2007 Session

FY 08-09

\$1,138,780,000

Budget Changes

Highway Trust Fund

19 Intrastate System	(\$40,691,943)	R
Reduces funds for the Intrastate System to \$504,290,380 for FY2008-09 consistent with new revenue estimates and statutory formula.		
20 Urban Loops	(\$16,454,126)	R
Reduces funds for the Urban Loops to \$203,914,028 for FY2008-09 consistent with new revenue estimates and statutory formula.		
21 Aid to Municipalities	(\$4,269,533)	R
Reduces funds for Aid to Municipalities to \$52,911,824 for FY2008-09 consistent with new revenue estimates and statutory formula.		
22 Transfer to General Fund	(\$25,000,000)	R
Reduces transfer to General Fund in FY2008-09 by \$25,000,000. The total amount of the transfer to the General Fund under G.S. 105-187.9b(1) is \$145,000,000 for FY2008-09.		
23 Secondary Road Construction	(\$7,687,965)	R
Reduces funds for the Secondary Road construction program to \$88,102,604 for FY2008-09, consistent with new revenue estimates and statutory formula.		
24 North Carolina Turnpike Authority	\$25,000,000	R
Provides funds for the North Carolina Turnpike Authority for its gap funding for the Triangle Expressway project.		
25 Transfer to General Fund	(\$143,793)	R
Reduces transfer to General Fund in FY2008-09 to \$2,531,245 in accordance with G.S. 105-187.9(b)2.		
26 Administration	\$3,627,360	R
Increases funds for administration to \$51,409,920 in FY2008-09 consistent with an increase to 4.8% in the statutory formula for maximum amount allowed for administration.		

Budget Changes

(\$65,620,000) R

Total Position Changes

Revised Total Budget

\$1,073,160,000

**RESERVES/
DEBT SERVICE/
ADJUSTMENTS
Section L**

Statewide Reserves

GENERAL FUND

Total Budget Approved 2008 Session

FY 08-09
\$1,358,925,649

Budget Changes

A. Employee Benefits

1 State Funded Compensation Increases

\$358,342,439 R
\$8,151,912 NR

Provide funds to support salary increases for employees of State agencies, departments, universities, community college institutions, and public schools.

2 Public School Salary Increases

Certified Teaching, School Based Administrators and Non-certified Personnel in local Public Schools, State agency based Public Schools, and the NC School of Science and Mathematics.

Teachers and Instructional Support - Funds are provided to support an experience based step increase for teachers and instructional support personnel (average salary increase of 1.83%) and a flat annual increase in the base teacher salary schedule of \$470 for Fiscal Year 2008-2009 (total average increase of 3.0%). Teachers and Instructional Support who are at the top of the experience based salary schedule will receive a 1.8% one-time lump sum bonus.

Principals and Assistant Principals - Funds are provided to support an experience based step increase for school board administrators (average salary increase of 1.67%) and a flat annual increase in the school based administrators salary schedule for Fiscal Year 2008-2009 (total average increase of 2.69%). School based administrators who are at the top of the experience based salary schedule will receive a 2.0% one-time lump sum bonus.

All other Public School Personnel - Provide funds to support an annual salary increase equal to the greater of \$1,100 or 2.75%.

3 Community College Salary Increases

Faculty and Professional Staff - Provide funds to support a 3.0% annual salary increase.

All other Community College Personnel - Provide funds to support an annual salary increase equal to the greater of \$1,100 or 2.75%.

4 University Salary Increases

EPA Faculty and EPA Non-faculty - Provide funds to support a 3.0% annual salary increase.

All other University Personnel - Provide funds to support an annual salary increase equal to the greater of \$1,100 or 2.75%.

5 State Agency/Department Salary Increases

Provide funds to support an annual salary increase equal to the greater of \$1,100 or 2.75% for permanent employees of State agencies and departments.

6 Highway Fund Reserve for Compensation Increases

Provides funding in the amount of \$14,762,342 recurring to support an annual salary increase equal to the greater of \$1,100 or 2.75% for permanent employees whose salaries are supported by Highway Fund appropriations.

7 No Penalty for Teachers Taking Personal Leave

Provides funding to allow classroom teachers and media specialists who require a substitute to use one personal leave day during FY 2008-2009 and receive full salary. Teachers and media specialists will continue to receive full salary less the required substitute deduction for personal leave days used over one day in FY 2008-2009.

\$5,000,000 NR

8 Department of Health and Human Services/Sign-on Bonuses

Provides funding for sign-on bonuses for newly employed registered nurses hired in State operated facilities in the Division of Mental Health, Developmental Disabilities and Substance Abuse Services.

\$500,000 NR

9 Retirement System Contributions

Increases the State's contribution for Fiscal Year 2008-2009 to provide a 2.2% cost-of-living adjustment for retirees of the Teachers' and State Employees' Retirement System. This adjustment is funded in part with actuarial gains within the Retirement System.

\$30,237,400 R

10 Highway Fund Reserve for Retirement System Contributions

Provides funding in the amount of \$1,462,000 recurring to increase the State's retirement contribution for positions supported by Highway Fund appropriations for Fiscal Year 2008-2009 in order to provide a 2.2% cost-of-living adjustment to retirees of the Teachers' and State Employees' Retirement System. This adjustment is funded in part with actuarial gains within the Retirement System.

11 Reduce Statewide Reserves -- Premium Contributions

Reduces appropriation to a statewide reserve used to fund increased health benefit related premium contribution costs incurred by employing agencies. According to the Office of State Budget and Management, funds to be eliminated have not been disbursed from the statewide reserve and are in excess of projected requirements. This action does not affect funding of the State Health Plan.

(\$5,000,000) R

B. Other Reserves

12 Task Force on Preventing Agricultural Pesticide Exposure	\$221,374	R
Appropriates funds for four positions to implement the recommendations outlined in the Governor's Task Force on Preventing Pesticide Exposure report.	\$135,681	NR
	4.00	
13 Worker Safety Positions	\$350,000	R
Appropriates funds to fund new positions for a program to assure worker safety. These positions will evaluate workers and workforce conditions affecting worker safety, and make recommendations as appropriate.		
	4.00	
14 Pending Legislation for Gang Prevention		
Provides funds contingent upon the enactment of pending legislation for gang prevention.	\$10,000,000	NR
15 Job Development Investment Grants (JDIG)		
Provides an additional \$15 million in non-recurring funds for meeting projected cash flow requirements for JDIG.	\$15,000,000	NR
16 Criminal Justice Data Integration Pilot		
Provides funding to begin the development and implementation of a Criminal Justice Data Integration pilot program to integrate and ensure the real time availability of critical information for law enforcement and the judicial system.	\$5,000,000	NR

C. Debt Service

17 Debt Service		
Reduces the General Fund appropriations for debt service due to revised earnings on bond proceeds	(\$17,500,000)	NR

Budget Changes	\$384,151,213	R
	\$26,287,593	NR
Total Position Changes		8.00
Revised Total Budget	\$1,769,364,455	

CAPITAL
Section M

Capital

GENERAL FUND

A. Department of Administration

1 NC Freedom Monument

Provides capital planning funds for the NC Freedom Monument, a half-acre plaza located in Raleigh. The plaza will honor the struggle by North Carolinians to gain and protect freedom. The total cost is \$4.5 million and \$1.5 million of the cost will be offset by receipts. The General Assembly appropriated \$100,000 for the monument in FY 2007-08.

\$400,000 NR

The Department of Administration will contract with NC Freedom Monument Project, Inc. to accomplish this project and use plans developed by NC Freedom Monument Project, Inc.

D. Crime Control and Public Safety

2 Statewide Master Facilities Plan - Phase 2

Provides capital planning funds for developing Phase 2 of the National Guard's statewide master facilities plan. The State owns and operates 92 armory facilities across North Carolina, and many facilities are 30 years old or more. The 5 phase master planning process will determine future renovation and construction needs. The General Assembly appropriated \$280,294 in General Funds monies and \$290,000 in federal receipts for Phase 1 in FY 2007-08. The federal government will offset \$345,578 of the cost for Phase 2. The total cost for all 5 phases is \$2.6 million.

\$300,300 NR

3 Camp Butner Latrine Replacement

Provides capital funds for the construction of 1,500 square feet of latrine facilities for training sites at Camp Butner. This project will coincide with the extension of a federally-funded sewer line to the Camp. The sewer line project will cost \$738,950. The project cost is \$245,430.

\$245,430 NR

E. Department of Justice

4 SBI Buildings 17 & 18 Addition

Provides capital funds for constructing an addition to buildings 17 and 18 on the Garner Road Complex to house the Department's information technology group. The IT group was recently relocated to the Garner Road Complex after the sale of the Blount Street property in downtown Raleigh. The current space is inadequate to meet the Department's IT needs. The project will increase the size of buildings 17 and 18 by no more than 11,500 square feet. The total project cost is \$1.8 million.

\$1,792,006 NR

F. Department of Commerce**5 Wanchese Capital Improvements**

Provides capital funds for the following improvements at the Wanchese Seafood Industrial Park:

\$605,700 NR

Fire Protection Improvements	\$110,900
Road Repair and Improvements	\$94,800
Wastewater Treatment Improvements	\$400,000

G. Department of Agriculture and Consumer Services**6 Motor fuels/Metrology Laboratory Study**

Provides capital planning funds for a combined motor fuels/metrology laboratory to replace the two existing labs. The current motor fuels lab is overcrowded and not suited for evolving motor fuels regulation. The current metrology lab is hampered by increasing traffic and construction around the Blue Ridge Complex. Such activity creates ground vibrations that impact the measuring equipment in the metrology lab.

\$300,000 NR

The total project cost for a joint replacement laboratory is not available and would be determined in the planning process. The undetermined cost to relocate the metrology lab or develop foundation solutions to mitigate ground vibrations makes estimating the total project cost difficult at this time.

H. Department of Environment and Natural Resources**7 NC Zoo - Polar Bear Exhibit Renovation and Expansion**

Provides capital funds for the renovation and expansion of the polar bear exhibit at the North Carolina Zoo. The Zoo has determined that its most popular exhibit is inadequate for handling polar bears in captivity. It has one remaining adult polar bear and the current exhibit will impact the Zoo's ability to acquire new bears. The project will replace holding facilities, provide off-exhibit outdoor pens, and expand the main exhibit to provide walking space for the bears. The NC Zoo Society will provide \$1.8 million in receipts for the project. Total project cost is \$4.5 million.

\$2,700,000 NR

8 Oyster Hatchery

Provides capital funds for a research scale oyster hatchery in the Division of Marine Fisheries. The hatchery will be located at the Center for Marine Science at UNC Wilmington. The total cost of the project is \$4.3 million

\$4,303,944 NR

9 Water Resources Development Projects

Provides funds for the State's share of Water Resources Development Projects. Projects are specified in a special provision.

\$20,000,000 NR

I. UNC System Board of Governors

10 Appalachian State University - Nursing Building Planning

Provides capital planning funds for the proposed College of Nursing and Health Sciences Building. The facility will contribute to the UNC Tomorrow committee's goal of improving health and wellness. The building size will be no more than 150,000 square feet. The total project cost is \$42 million.

\$4,200,000 NR

11 Elizabeth City State University - Aviation Complex Site Development

Provides capital planning and site development funds for the proposed Aviation Complex. The facility will contribute to the UNC Tomorrow committee's goal of economic transformation. The building size will be no more than 75,000 square feet. The facility will include additional lease space to house community college aviation programs. The General Assembly appropriated \$500,000 to this project in FY 2006-07. The total project cost is \$17.5 million.

\$1,500,000 NR

12 Fayetteville State University - Teaching Education Building Planning

Provides capital planning funds for the proposed Teaching Education and General Classroom Building. The facility will contribute to the UNC Tomorrow committee's goal of improving public education. The building size will be no more than 130,000 square feet. The total project cost is \$42.7 million.

\$4,272,110 NR

13 NC State University - 4-H Camp Improvements

Provides capital funds for the proposed renovations and new facilities at the State's 4-H camps. The General Assembly appropriated \$7.5 million in FY 2007-08 towards a \$34 million facilities plan. This \$4.5 million would be the second installment in funding the multi-year plan.

\$4,500,000 NR

14 NC State University - Engineering Complex Planning

Provides capital planning funds for the construction of Engineering Buildings IV and V on the Centennial Campus. Combined, the two new engineering buildings will be no larger than 430,000 square feet.

\$21,373,400 NR

In addition to the new facilities, funds would plan the comprehensive renovation of Mann Hall, Page Hall, and Daniels Hall. These building would be vacated by the School of Engineering as new buildings are completed.

The total cost for the project is \$213.7 million.

15 UNC Asheville - Carmichael Hall and Lecture Hall Replacement Planning

Provides capital planning funds for the proposed replacement of Carmichael Hall and the University Lecture Hall. The facility will contribute to the UNC Tomorrow committee's goal of improving access. The building size will be no more than 60,000 square feet. The total project cost is \$26.8 million.

\$1,100,000 NR

- 16 UNC Chapel Hill - Biomedical Research Imaging Center (BRIC)**
 Provides capital funds to complete planning and begin site development for the Biomedical Research Imaging Center (BRIC). The newly scoped project will now include wet labs and drug research space not included in the original project scope. The facility will contribute to the UNC Tomorrow committee's goal of improving health and wellness. The building size will be no more than 343,000 square feet. The General Assembly appropriated \$8 million in FY 2007-08. The total project cost is \$260 million.
- \$32,000,000 NR
- A special provision will establish G.S. 116-29.5, which will appropriate \$220 million in General Fund monies over the next biennium to fully construct the BRIC building.
- 17 UNC-Chapel Hill - Carolina North Phase 1 and School of Law Replacement**
 Provides capital planning funds for Phase 1 of Carolina North. Phase 1 comprises the first 15 years of development on the research campus. This request will plan the unified infrastructure program for Phase 1. The funding will also plan the replacement facility for the School of Law to be located at Carolina North. The campus will contribute to the UNC Tomorrow committee's goal of economic transformation. The University will provide \$160.8 million in receipt-supported funds to the project. The total cost for Phase 1 is \$329.8 million.
- \$16,900,000 NR
- 18 UNC-Chapel Hill - Morehead Planetarium Comp. Renovation and Expansion**
 Provides capital planning funds for the comprehensive renovation for the Morehead Planetarium. The project also includes planning funds for the expansion of the facility to include a science education center. The total project cost is \$58 million.
- \$3,480,000 NR
- 19 UNC Charlotte Science Building Planning**
 Provides capital planning funds for the proposed Science Building. The facility will contribute to the UNC Tomorrow committee's goal of improving global readiness and science education. The building size will be no more than 235,000 square feet. The total project cost is \$120 million.
- \$2,400,000 NR
- 20 UNC Pembroke - Information Commons Building Planning**
 Provides capital planning funds for the proposed Information Commons Building. The facility will contribute to the UNC Tomorrow committee's goal of improving access. The building size will be no more than 150,000 square feet. The total project cost is \$50 million.
- \$2,000,000 NR
- 21 UNC Wilmington - Allied Health and Human Science Building Planning**
 Provides capital planning funds for the proposed Allied Health and Human Science Building. The facility will contribute to the UNC Tomorrow committee's goal of improving health and wellness. The building size will be no more than 105,000 square feet. The total project cost is \$43.2 million.
- \$4,320,000 NR

22 Western Carolina University - Education and Professions Building Planning

Provides capital planning funds for the proposed Education and Allied Professions Building. The facility will contribute to the UNC Tomorrow committee's goal of improving public education. The building size will be no more than 163,000 square feet. The total project cost is \$40.2 million.

\$4,018,700 NR

23 Winston-Salem State University - Science and Office Building Planning

Provides capital planning funds for the proposed Science and General Office Building. The facility will contribute to the UNC Tomorrow committee's goal of improving global readiness. The building size will be no more than 69,000 square feet. The total project cost is \$28.2 million.

\$3,000,000 NR

J. State Facilities Special Indebtedness**24 Department of Cultural Resources - Museum of Art Expansion Supplement**

Revises S.L. 2006-66 to increase the authorization for certificates of participation to complete the construction of the new Museum of Art Building. The total cost of this project is \$ 72.3 million. The General Assembly appropriated \$2.2 million in FY 2004-05 and \$10 million in FY 2005-06. The City of Raleigh and Wake County have jointly committed \$15 million towards the expansion. Total debt authorized is increased by \$5.1 million to a total amount of \$45.1 million.

25 Administrative Office of the Courts - System Office Building Acquisition

Authorizes the issuance of certificates of participation for the acquisition of the Administrative Office of the Courts' main office building in Raleigh. The facility is currently leased. This authorization is contingent on the establishment of a \$5.00 facilities fees, of which \$4.00 would be available to repay the debt service.

The purchase would include a 180,000 square foot office building, a 35,000 square foot warehouse, 17.5 acres of land, and 585 parking spaces. The total is cost is \$34 million.

The total amount authorized is \$34 million.

26 NC Correctional Institution for Women - Healthcare Facility

Authorizes the issuance of certificates of participation for the construction of a healthcare and mental health facility for the NC Correctional Institution for Women. The facility will include 80 infirmary beds and 70 mental health beds. The total cost of this project is \$51.7 million. The General Assembly appropriated \$5 million in FY2007-08. The Department has committed \$1.6 million in receipts to the project. Total debt authorized is \$45.2 million.

27 Scotland Correctional Institution - Minimum Security Addition

Authorizes the issuance of certificates of participation for the construction of a 252 bed minimum custody addition to Scotland Correctional Institution. The total cost of this project is \$13.9 million. The General Assembly appropriated \$3.5 million in advance planning funds for this and three other prison additions. Total debt authorized is \$13 million.

28 Bertie Correctional Institution - Medium Security Addition

Authorizes the issuance of certificates of participation for the construction of a 504 bed medium custody addition to Bertie Correctional Institution. The total cost of this project is \$19.8 million. The General Assembly appropriated \$3.5 million in advance planning funds for this and three other prison additions. Total debt authorized is \$19 million.

29 Tabor Correctional Institution - Minimum Security Addition

Authorizes the issuance of certificates of participation for the construction of a 252 bed minimum custody addition to Tabor Correctional Institution. The total cost of this project is \$13.9 million. The General Assembly appropriated \$3.5 million in advance planning funds for this and three other prison additions. Total debt authorized is \$13 million.

30 Lanesboro Correctional Institution Medium Security Addition

Authorizes the issuance of certificates of participation for the construction of a 504 bed medium custody addition to Lanesboro Correctional Institution. The total cost of this project is \$19.8 million. The General Assembly appropriated \$3.5 million in advance planning funds for this and three other prison additions. Total debt authorized is \$19 million.

31 Department of Commerce - NC Ports Improvements

Authorizes the issuance of certificates of participation for the following NC Ports projects.

Debt proceeds will replace 400 linear feet of berthing at the Port of Wilmington. Phase 2 will replace an additional 600 linear feet of Berth 8. The General Assembly appropriated \$5 million for this project in FY 2007-08. The NC Ports will provide \$10.3 million in receipt-supported funds towards the project. The project cost is \$20.3 million.

Debt proceeds will be used for assorted berth improvements throughout the Port at Morehead City. This is the first phase of a multi-year series of improvements to the Port of Morehead City's berths. The NC Ports will provide \$14.4 million in receipt-supported funds over the course of completing the planned berth improvements. The total cost to complete planned berth improvements is \$26.9 million.

Total debt authorized is \$7 million.

32 Department of Agriculture and Consumer Services Improvements

Authorizes the issuance of certificates of participation to complete the following capital improvements in the Department of Agriculture and Consumer Services:

Western North Carolina Agricultural Center Davis Area Renovation and Expansion	\$7,450,000
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Western North Carolina Farmers' Market Bathroom and Truckshed Expansion	\$650,000
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Southeastern North Carolina Agricultural Center Equine and Livestock Pavilion	\$3,700,000
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The total amount authorized for these projects is \$11.8 million

33 East Carolina University - School of Dentistry Facilities

Authorizes the issuance of certificates of participation for the construction of the School of Dentistry building in Greenville and up to 10 satellite dental clinics around the State. The size of the main building will be no more than 112,500 square feet. The total cost of this project is \$97 million. The General Assembly appropriated \$3 million in FY 2006-07 and \$25 million in FY2007-08 for this project. Total debt authorized is \$69 million.

34 East Carolina University - Family Medicine and Geriatric Center

Authorizes the issuance of certificates of participation for the construction of the Family Medicine and Geriatric Center. The size of the main building will be no more than 118,000 square feet. The total cost of this project is \$46.8 million. The University will provide \$10 million in receipt-supported funds for the project. Total debt authorized is \$36.8 million.

35 Elizabeth City State University - School of Education Building

Authorizes the issuance of certificates of participation for the construction of a new School of Education building. The size of the facility will be no more than 45,000 square feet. The total cost of this project is \$20 million. The General Assembly appropriated \$2 million in FY2007-08. Total debt authorized is \$18 million.

36 NC Agricultural and Technical University - General Classroom Building

Authorizes the issuance of certificates of participation for the construction of a new general classroom building. The size of the building will be no more than 115,000 square feet. The total cost of this project is \$26.8 million. The General Assembly appropriated \$1 million in FY2006-07 and \$5.3 million in FY2007-08. Total debt authorized is \$20.5 million.

37 NC Agricultural and Technical University - Horse Barns

Provides capital funds for land acquisition and construction of horse barns to support the equestrian program of NC A&T. The facility will be located at the Upper Piedmont Research Station. Total debt authorized is \$2.4 million.

38 NC School of the Arts - Central Storage Facility

Authorizes the issuance of certificates of participation for the construction of a Central Storage Facility. The size of the building will be no more than 60,000 square feet. The total cost of this project is \$11.1 million. Total debt authorized is \$11.1 million.

39 NC School of the Arts - Film School Production Design Facility

Authorizes the issuance of certificates of participation for the construction of a Film School Production Design Facility. The total cost of this project is \$12.9 million. Total debt authorized is \$12.9 million.

40 NC State University - Centennial Campus Library

Authorizes the issuance of certificates of participation for the construction of a new library building at NC State's Centennial Campus. The size of the building will be no more than 279,000 square feet. The total cost of this project is \$126 million. The General Assembly appropriated \$17 million in FY2007-08. Total debt authorized is \$109.1 million.

41 UNC Chapel Hill - School of Dentistry Expansion

Authorizes the issuance of certificates of participation for the construction of expanded facilities for the School of Dentistry. The size of the project will be no more than 216,000 square feet. The total cost of this project is \$125 million. The General Assembly appropriated \$2 million in FY 2005-06, \$3 million in FY 2006-07, and \$25 million in FY2007-08 towards this project. The University will provide \$25 million in receipt-supported funding for the project. Total debt authorized is \$69 million.

42 UNC Charlotte - Energy Production Infrastructure Center (EPIC)

Authorizes the issuance of certificates of participation for the Energy Production Infrastructure Center (EPIC). The size of the building will be no more than 200,000 square feet. The total cost of this project is \$76.2 million. The General Assembly appropriated \$19 million in FY2007-08. Total debt authorized is \$57.2 million.

43 UNC Greensboro - Academic Classroom and Office Building

Authorizes the issuance of certificates of participation for the construction of a new academic classroom and office building. The building will primarily serve School of Education needs. The size of the building will be no more than 120,000 square feet. The total cost of this project is \$47.5 million. The General Assembly appropriated \$2.3 million in FY2006-07 and \$2.5 million in FY2007-08 for this project. Total debt authorized is \$42.7 million.

44 Winston-Salem State University - Student Activity Center

Revises S.L. 2007-323 to increase the authorization for certificates of participation to complete the construction of the Student Activity Center. Originally proposed as a project to be funded with 50% General Fund monies and 50% student fees, student fees are now proposed to cover 10% of the project cost. The General Assembly appropriated \$768,225 in FY 2006-07 and authorized \$18.7 million in special indebtedness in FY 2007-08. Total debt authorized is increased by \$9.8 million to a total amount of \$28.5 million.

45 Center for Design Innovation - Site Development Supplement

Revises S.L. 2004-179 as revised in S.L. 2006-146 to increase the authorization for certificates of participation to complete the construction of the Center for Design Innovation. The project, jointly operated by Winston-Salem State University and the North Carolina School of the Arts, will be located at the Piedmont Triad Research Park. The total cost of this project is \$11.5 million. Total debt authorized is increased by \$1.5 million to total authorization amount of \$11.5 million.

46 UNC System - Dormitory Fire Sprinklers

Authorizes the issuance of certificates of participation for the installation of fire sprinklers in campus dormitories. Installation projects will be coordinated with other renovation projects. Funds will be combined with the authority to use repairs and renovations funds and housing receipts to complete sprinklering projects. These funds will help UNC fully sprinkle campus dormitories by 2012. UNC allocated \$9.3 million in housing receipts, receipt-supported debt, and repairs and renovations funds toward sprinkler projects in FY 2007-08. The total cost for system-wide fire protection is \$47.4 million. Total debt authorized for this initiative is \$10 million.

47 UNC System - Land Acquisition

Authorizes the issuance of certificates of participation for the acquisition of State land for campuses throughout the system. The allocation of debt proceeds will be administered by UNC General Administration, at the discretion of the President. Total debt authorized for land acquisitions is \$35 million.

Total Appropriation to Capital

\$135,711,590 NR

**INFORMATION
TECHNOLOGY
SERVICES
Section N**

Information Technology Services

SPECIAL FUND

FY 08-09

<p>1 Office of State Chief Information Officer Provides funding to support the operations of the State CIO's Office.</p> <p>2 ISO/Security Initiatives Provides funding to continue support for Statewide security initiatives.</p> <p>3 Information Technology Asset Management Provides funding to support the implementation of a Statewide asset management system by the Office of Information Technology Services.</p> <p>4 Enterprise Project Management Office Continues the operation of the office responsible for overseeing the development and implementation of IT systems within State agencies.</p> <p>5 Enterprise Technology Strategies Office Provides Statewide engineering and architecture support.</p> <p>6 Start-up Funding: Enterprise Services Provides funding to support the implementation of new enterprise-wide applications to support State agency operations.</p> <p>7 State Portal Provides funding for the State portal.</p> <p>8 ESRI Licenses Provides funding for cost of ESRI licenses to support Geographic Information Systems (GIS) within the State.</p> <p>9 NCID Provides the State with technology to support identity management, authentication, and authorization of users.</p> <p>10 Information Technology Consolidation Provides funding to continue the Information Technology Consolidation program.</p> <p>11 BEACON/Data Integration Funds Provides funding to develop a Statewide data integration initiative implemented under the guidance of the BEACON Steering Committee.</p>	<p>\$2,027,464</p> <p>\$1,696,490</p> <p>\$1,602,904 \$550,000</p> <p>\$2,185,706</p> <p>\$1,189,214</p> <p>\$200,000</p> <p>\$163,000</p> <p>\$597,500</p> <p>\$2,219,314</p> <p>\$749,548 \$400,000</p> <p>\$5,000,000</p>	<p>R</p> <p>R</p> <p>R NR</p> <p>R</p> <p>R</p> <p>R</p> <p>R</p> <p>R</p> <p>R NR</p> <p>NR</p>
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Senate Subcommittee on Information Technology

FY 08-09

\$12,631,140 R

\$5,950,000 NR

Revised Total Budget

\$18,581,140
