

**JOINT CONFERENCE COMMITTEE REPORT
ON THE
CONTINUATION, EXPANSION
AND CAPITAL BUDGETS**

September 19, 2001

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BUDGET REFORM STATEMENT

	<u>FY 2001-02</u> <u>(\$ million)</u>	<u>FY 2002-03</u> <u>(\$ million)</u>
1. Composition of the FY 2001-02 beginning availability:		
a. Unappropriated balance	0.0	
b. Revenue collections in FY 2000-01 in excess of authorized estimates	0.0	
c. Unexpended appropriations during 2000-01 (Reversions)	0.0	
Beginning Unreserved Credit Balance	0.0	
2. Revenues Based on Existing Tax Structure	13,303.4	13,979.0
3. Non Tax Revenues:		
Investment Income	164.0	171.0
Judicial Fees	112.8	115.9
Disproportionate Share	107.0	107.0
Insurance	45.5	47.4
Other Non-Tax Revenues	96.5	97.3
Highway Trust Fund Transfer	170.0	170.0
Highway Fund Transfer	<u>14.5</u>	<u>15.3</u>
Subtotal	14,013.7	14,702.9
4. Other Adjustments		
IRC Conformity Adjustment (included in House Bill 232)	(3.4)	(3.8)
North Carolina Railroad General Fund Repayment	19.0	
Senate Bill 353 Enhance Department of Revenue Collections	50.0	50.0
Education/Human Services/Mental Health/Revenue Initiatives	435.3	614.4
House Bill 1157 Implementation -- Closure of Tax Loopholes	61.3	64.3
House Bill 232 Implementation -- Budget Revenue Provisions (Accelerations)	112.1	6.0
Increase in Nontax Revenues -- Patients' Bill of Rights (Senate Bill 199)	0.4	0.9
Transfer/Adjustment of Cash from Special, Trust, Internal Service, and Reserve Funds	23.4	0.5
Court Fee Funds to State Bar	(0.8)	(1.7)
Credit to the Savings Reserve Account	<u>(181.0)</u>	<u></u>
Subtotal	516.3	730.6
TOTAL GENERAL FUND AVAILABILITY	14,530.0	15,433.5

SUMMARY:

**GENERAL FUND
APPROPRIATIONS**

General Fund Appropriations

Fiscal Year 2001-02

2001 Session

	<u>2001-02 Base Budget</u>	<u>Transfers</u>	<u>Recurring Changes</u>	<u>Nonrecurring Changes</u>	<u>Net Changes</u>	<u>Position Changes</u>	<u>Revised Appropriation</u>
Education:							
Public Education	5,923,802,924		(117,333,543)	73,170,983	(44,162,560)	287.5	5,879,640,364
Community Colleges	648,021,974		(4,826,515)	500,000	(4,326,515)	(7.0)	643,695,459
University System	1,804,923,800		(14,488,025)	(1,100,000)	(15,588,025)	(142.1)	1,789,335,775
Total Education	8,376,748,698	0	(136,648,083)	72,570,983	(64,077,100)	138.4	8,312,671,598
General Government:							
General Assembly	40,567,848		(1,014,000)	(170,000)	(1,184,000)	0.0	39,383,848
Governor's Office	5,633,739		(190,834)	0	(190,834)	0.0	5,442,905
State Budget, Planning and Management	5,789,900	(93,941)	(264,912)	27,500	(331,353)	(8.0)	5,458,547
OSBPM - Special Appropriations	3,080,000		0	555,000	555,000	0.0	3,635,000
OSBPM - Flood Mapping and Surveying	1,232,845	(1,187,845)	(45,000)	0	(1,232,845)	(31.0)	0
The Lieutenant Governor	686,308		(16,763)	0	(16,763)	0.0	669,545
Administration	61,078,651	(371,302)	107,670	270,000	6,368	(21.0)	61,085,019
Office of State Controller	11,817,271		(293,403)	0	(293,403)	(2.0)	11,523,868
Office of Administrative Hearings	2,908,088		(112,933)	0	(112,933)	(2.0)	2,795,155
Rules Review Commission	334,085		(8,290)	0	(8,290)	0.0	325,795
Cultural Resources	60,840,696		(1,413,277)	800,000	(613,277)	(9.0)	60,227,419
Cultural Resources - Roanoke Island	1,907,245		(47,782)	0	(47,782)	0.0	1,859,463
Insurance	23,392,288		(126,551)	484,300	357,749	4.0	23,750,037
Insurance - Worker's Compensation Fund	4,500,000		0	(3,450,000)	(3,450,000)	0.0	1,050,000
Secretary of State	8,760,901		(429,125)	150,000	(279,125)	(16.0)	8,481,776
State Auditor	12,166,518		(301,845)	0	(301,845)	0.0	11,864,673
State Treasurer - Operations	7,837,007		(620,190)	0	(620,190)	0.0	7,216,817
State Treasurer - Retirement / Benefits	12,294,780		85,000	(2,077,883)	(1,992,883)	0.0	10,301,897
Revenue	76,967,284		(326,017)	459,200	133,183	40.0	77,100,467
State Board of Elections	3,271,453		(85,184)	0	(85,184)	0.0	3,186,269
Total General Government	345,066,907	(1,653,088)	(5,103,436)	(2,951,883)	(9,708,407)	(45.0)	335,358,500
Health and Human Services:							
Office of the Secretary	45,649,860		2,358,845	100,000	2,458,845	(45.0)	48,108,705
Aging Division	29,825,449		(293,539)		(293,539)	(1.0)	29,531,910
Child Development	349,713,681		(60,655,285)	0	(60,655,285)	(16.0)	289,058,396
Education Services	77,290,419		(7,708,894)	0	(7,708,894)	(56.0)	69,581,525
Public Health	112,142,547		(4,708,464)	1,025,000	(3,683,464)	(12.6)	108,459,083
Blind and Deaf / Hard of Hearing Services	10,334,149		(166,034)	0	(166,034)	(2.0)	10,168,115

General Fund Appropriations							
Fiscal Year 2001-02							
2001 Session							
	2001-02 Base Budget	Transfers	Recurring Changes	Nonrecurring Changes	Net Changes	Position Changes	Revised Appropriation
Vocational Rehabilitation	41,827,726		261,230	680,000	941,230	(3.0)	42,768,956
Mental Health	582,879,191	248,435	(2,058,999)	326,000	(1,484,564)	(83.5)	581,394,627
NC Health Choice	24,987,142		8,000,000	0	8,000,000	0.0	32,987,142
Facility Services	16,584,502		(1,142,266)	(195,267)	(1,337,533)	(6.0)	15,246,969
Social Services	192,948,114		(5,257,877)	1,000,000	(4,257,877)	(27.0)	188,690,237
Medical Assistance	1,987,547,863		(6,310,335)	0	(6,310,335)	(11.0)	1,981,237,528
Total Health and Human Services	3,471,730,643	248,435	(77,681,618)	2,935,733	(74,497,450)	(263.1)	3,397,233,193
Justice and Public Safety:							
Correction	931,350,075	2,913,282	(5,195,781)	(5,072,295)	(7,354,794)	177.0	923,995,281
Crime Control & Public Safety	37,554,148	(2,819,341)	(2,480,988)	(504,688)	(5,805,017)	(226.0)	31,749,131
Judicial Department	308,769,898		(3,794,411)	515,653	(3,278,758)	3.5	305,491,140
Judicial - Indigent Defense	66,660,467		3,521,134	0	3,521,134	11.0	70,181,601
Juvenile Justice	147,706,045	(248,435)	(6,251,300)	(406,280)	(6,906,015)	(92.5)	140,800,030
Justice	76,471,632		(2,406,839)	(922,018)	(3,328,857)	(24.0)	73,142,775
Total Justice and Public Safety	1,568,512,265	(154,494)	(16,608,185)	(6,389,628)	(23,152,307)	(151.0)	1,545,359,958
Natural And Economic Resources:							
Agriculture and Consumer Services	56,695,276		(1,527,236)	200,000	(1,327,236)	(31.5)	55,368,040
Commerce	45,027,007	371,302	(1,117,935)	15,000,000	14,253,367	(6.8)	59,280,374
Commerce - State Aid	5,200,000		0	1,925,000	1,925,000	0.0	7,125,000
Office of Information Technology Services					0		0
Environment and Natural Resources	164,902,678	1,187,845	(7,367,823)	350,000	(5,829,978)	(32.5)	159,072,700
DENR - Clean Water Mgmt. Trust Fund	30,000,000		10,000,000	0	10,000,000	0.0	40,000,000
Labor	16,617,178		(1,099,272)	0	(1,099,272)	(9.0)	15,517,906
NC Housing Finance Agency	5,300,000		0	0	0	0.0	5,300,000
NC Biotechnology Center	6,738,913		(468,445)	(1,000,000)	(1,468,445)	0.0	5,270,468
Rural Economic Development Center	4,257,338		833,411	(999,694)	(166,283)	0.0	4,091,055
Total Natural and Economic Resources	334,738,390	1,559,147	(747,300)	15,475,306	16,287,153	(79.8)	351,025,543
Transportation:	17,753,426	0	(1,062,717)	(6,660,709)	(7,723,426)		10,030,000
Statewide Reserves / Debt Service:							
Debt Service:							
Interest / Redemption	238,509,550		12,312,542	0	12,312,542		250,822,092

General Fund Appropriations

Fiscal Year 2001-02

2001 Session

	<u>2001-02 Base Budget</u>	<u>Transfers</u>	<u>Recurring Changes</u>	<u>Nonrecurring Changes</u>	<u>Net Changes</u>	<u>Position Changes</u>	<u>Revised Appropriation</u>
Federal Reimbursement	1,155,948		0	0	0		1,155,948
Subtotal Debt Service	239,665,498	0	12,312,542	0	12,312,542		251,978,040
Statewide Reserves:							
Compensation Increases			193,842,000	0	193,842,000		193,842,000
State Health Plan			150,000,000	0	150,000,000		150,000,000
Contingency and Emergency	1,125,000		3,875,000	0	3,875,000		5,000,000
Salary Adjustment Fund	500,000		0	0	0		500,000
Reserve for Hurricane Floyd Recovery			0	0	0		0
Reserve for HIPAA Implementation			0	15,000,000	15,000,000		15,000,000
Mental Health Trust Fund				47,525,675	47,525,675		47,525,675
ITS Rate Reduction			(4,000,000)	0	(4,000,000)		(4,000,000)
Judicial Retirement Rate Adjustment			(2,265,000)	0	(2,265,000)		(2,265,000)
Retirement Rate Adjustment			(241,002,720)	0	(241,002,720)		(241,002,720)
Subtotal Statewide Reserves	1,625,000	0	100,449,280	62,525,675	162,974,955		164,599,955
Total Reserves and Debt Service	241,290,498	0	112,761,822	62,525,675	175,287,497		416,577,995
Total General Fund for Operations	14,355,840,827	0	(125,089,517)	137,505,477	12,415,960	(400.5)	14,368,256,787
Other General Fund Expenditures:							
Capital Improvements				32,936,000	32,936,000		32,936,000
Repairs and Renovations				125,000,000	125,000,000		125,000,000
Total Other General Fund Expenditures	0	0	0	157,936,000	157,936,000		157,936,000
Total General Fund Budget	14,355,840,827	0	(125,089,517)	295,441,477	170,351,960	(400.5)	14,526,192,787

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General Fund Appropriations
Fiscal Year 2002-03
2001 Session

	<u>2002-03 Base Budget</u>	<u>Transfers</u>	<u>Recurring Changes</u>	<u>Nonrecurring Changes</u>	<u>Net Changes</u>	<u>Position Changes</u>	<u>Revised Appropriation</u>
Education:							
Public Education	6,021,031,149		(98,842,603)	0	(98,842,603)	660.0	5,922,188,546
Community Colleges	648,021,974		(4,826,515)	0	(4,826,515)	(7.0)	643,195,459
University System	1,812,208,855		(14,488,025)	0	(14,488,025)	(142.1)	1,797,720,830
Total Education	8,481,261,978	0	(118,157,143)	0	(118,157,143)	510.9	8,363,104,835
General Government:							
General Assembly	40,567,848		(1,014,000)	0	(1,014,000)	0.0	39,553,848
Governor's Office	5,633,739		(190,834)	0	(190,834)	0.0	5,442,905
State Budget, Planning and Management	5,789,900	(93,941)	(371,021)	30,000	(434,962)	(7.0)	5,354,938
OSBPM - Special Appropriations	3,080,000		0	0	0	0.0	3,080,000
OSBPM - Flood Mapping and Surveying	1,232,845	(1,187,845)	(45,000)	0	(1,232,845)	(31.0)	0
The Lieutenant Governor	686,308		(16,763)	0	(16,763)	0.0	669,545
Administration	61,078,651	(371,302)	107,670	0	(263,632)	(21.0)	60,815,019
Office of State Controller	11,817,271		(293,403)	0	(293,403)	(2.0)	11,523,868
Office of Administrative Hearings	2,908,088		(112,933)	0	(112,933)	(2.0)	2,795,155
Rules Review Commission	334,085		(8,290)	0	(8,290)	0.0	325,795
Cultural Resources	60,840,696		(1,413,277)	0	(1,413,277)	(9.0)	59,427,419
Cultural Resources - Roanoke Island	1,907,245		(47,782)	0	(47,782)	0.0	1,859,463
Insurance	23,392,288		135,264	0	135,264	4.0	23,527,552
Insurance - Worker's Compensation Fund	4,500,000		0	0	0	0.0	4,500,000
Secretary of State	8,760,901		(474,051)	0	(474,051)	(16.0)	8,286,850
State Auditor	12,166,518		(301,845)	0	(301,845)	0.0	11,864,673
State Treasurer - Operations	7,837,007		(620,190)	0	(620,190)	0.0	7,216,817
State Treasurer - Retirement / Benefits	12,294,780		85,000	0	85,000	0.0	12,379,780
Revenue	76,967,284		988,420	0	988,420	40.0	77,955,704
State Board of Elections	3,271,453		(85,184)	0	(85,184)	0.0	3,186,269
Total General Government	345,066,907	(1,653,088)	(3,678,219)	30,000	(5,301,307)	(44.0)	339,765,600
Health and Human Services:							
Office of the Secretary	45,649,860		2,358,845	0	2,358,845	(45.0)	48,008,705
Aging Division	29,825,449		(293,539)	0	(293,539)	(1.0)	29,531,910
Child Development	349,713,681		(60,655,285)	0	(60,655,285)	(16.0)	289,058,396
Education Services	77,290,419		(7,708,894)	0	(7,708,894)	(56.0)	69,581,525
Public Health	112,142,547		(4,708,464)	0	(4,708,464)	(12.6)	107,434,083
Blind and Deaf / Hard of Hearing Services	10,334,149		(166,034)	0	(166,034)	(2.0)	10,168,115

General Fund Appropriations
Fiscal Year 2002-03
2001 Session

	2002-03 Base Budget	Transfers	Recurring Changes	Nonrecurring Changes	Net Changes	Position Changes	Revised Appropriation
Vocational Rehabilitation	41,827,726		261,230	0	261,230	(3.0)	42,088,956
Mental Health	582,879,191	248,435	(2,058,999)	0	(1,810,564)	(83.5)	581,068,627
NC Health Choice	24,987,142		12,500,000	0	12,500,000	0.0	37,487,142
Facility Services	16,584,502		(1,142,266)	0	(1,142,266)	(6.0)	15,442,236
Social Services	200,021,408		(5,257,877)	0	(5,257,877)	(27.0)	194,763,531
Medical Assistance	2,234,048,385		(15,001,493)	0	(15,001,493)	(11.0)	2,219,046,892
Total Health and Human Services	3,725,304,459	248,435	(81,872,776)	0	(81,624,341)	(263.1)	3,643,680,118
Justice and Public Safety:							
Correction	931,350,075	5,826,564	(5,211,723)	(1,000,000)	(385,159)	177.0	930,964,916
Crime Control & Public Safety	37,554,148	(5,732,623)	(3,328,019)	0	(9,060,642)	(229.0)	28,493,506
Judicial Department	308,769,898		(3,429,763)	125,000	(3,304,763)	3.5	305,465,135
Judicial - Indigent Defense	66,660,467		2,207,304	0	2,207,304	11.0	68,867,771
Juvenile Justice	149,456,045	(248,435)	(6,653,593)	0	(6,902,028)	(92.5)	142,554,017
Justice	76,471,632		(2,750,839)	0	(2,750,839)	(24.0)	73,720,793
Total Justice and Public Safety	1,570,262,265	(154,494)	(19,166,633)	(875,000)	(20,196,127)	(154.0)	1,550,066,138
Natural And Economic Resources:							
Agriculture and Consumer Services	56,695,276		(1,527,236)	0	(1,527,236)	(31.5)	55,168,040
Commerce	45,027,007	371,302	(1,117,935)		(746,633)	(6.8)	44,280,374
Commerce - State Aid	5,200,000		0	0	0	0.0	5,200,000
Office of Information Technology Services					0		0
Environment and Natural Resources	164,902,678	1,187,845	(7,367,823)	0	(6,179,978)	(32.5)	158,722,700
DENR - Clean Water Mgmt. Trust Fund	30,000,000		40,000,000	0	40,000,000	0.0	70,000,000
Labor	16,617,178		(1,499,272)	0	(1,499,272)	(9.0)	15,117,906
NC Housing Finance Agency	5,300,000		0	0	0	0.0	5,300,000
NC Biotechnology Center	6,738,913		(468,445)	0	(468,445)	0.0	6,270,468
Rural Economic Development Center	4,257,338		833,411	0	833,411	0.0	5,090,749
Total Natural and Economic Resources	334,738,390	1,559,147	28,852,700	0	30,411,847	(79.8)	365,150,237
Transportation	14,486,443		(1,093,102)	0	(1,093,102)		13,393,341
Statewide Reserves and Debt Service:							
Debt Service:							
Interest / Redemption	238,509,550		113,757,310	0	113,757,310		352,266,860

General Fund Appropriations							
Fiscal Year 2002-03							
2001 Session							
	2002-03 Base Budget	Transfers	Recurring Changes	Nonrecurring Changes	Net Changes	Position Changes	Revised Appropriation
Federal Reimbursement	1,155,948		0	0	0		1,155,948
Subtotal Debt Service	239,665,498	0	113,757,310	0	113,757,310		353,422,808
Statewide Reserves:							
Compensation Increases			193,842,000	0	193,842,000		193,842,000
State Health Plan			200,000,000	0	200,000,000		200,000,000
Contingency and Emergency	1,125,000		3,875,000	0	3,875,000		5,000,000
Salary Adjustment Fund	500,000		0	0	0		500,000
ITS Rate Reduction			(4,000,000)	0	(4,000,000)		(4,000,000)
Judicial Retirement Rate Adjustment			(2,265,000)	0	(2,265,000)		(2,265,000)
Retirement Rate Adjustment			(241,002,720)	0	(241,002,720)		(241,002,720)
Subtotal Statewide Reserves	1,625,000	0	150,449,280	0	150,449,280		152,074,280
							0
Total Reserves and Debt Service	241,290,498	0	264,206,590	0	264,206,590		505,497,088
Total General Fund for Operations	14,712,410,940	0	69,091,417	(845,000)	68,246,417	(30.0)	14,780,657,357
Other General Fund Expenditures:							
Capital Improvements			0		0		0
Repairs and Renovations			0		0		0
Total Other General Fund Expenditures	0	0	0	0	0		0
Total General Fund Budget	14,712,410,940	0	69,091,417	(845,000)	68,246,417	(30.0)	14,780,657,357

EDUCATION

Section F

Public Education

	GENERAL FUND	
	FY 2001-02	FY 2002-03
Recommended Budget	\$5,923,802,924	\$6,021,031,149

Legislative Changes

A. More Accurate Projection of Budget Requirements

1 Additional Adjustments in Average Salary Projections

(\$8,497,668)	R	(\$8,497,668)	R
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In addition to the annual Continuation Budget adjustment for average budgeted salary of certified personnel, a more recent review of certified personnel salaries from updated salary data, identified an additional reduction in projected salary needs for FY 2001-02.

2 School Bus Purchases

Reduce funding for FY 2001-02 based on a revised school bus replacement schedule.	(\$23,915,892)	NR		
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3 Payments for Teacher Unused Vacation Days

(\$4,000,000)	R	(\$4,000,000)	R
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Adjust funding to reflect recent expenditure experience.

4 Mentor Pay

(\$3,000,000)	R	(\$3,000,000)	R
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Reduce funding to reflect recent expenditure experience.

5 Transportation Adjustment: Bus Driver Physicals

(\$535,000)	R	(\$535,000)	R
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The Division of Motor Vehicles is delaying the implementation of the requirement that bus drivers must have a physical examination every two years. Twenty-five thousand (\$25,000) will remain in the budget for pilot projects.

6 Transportation Adjustment: Diesel Fuel Cost

(\$2,990,000)	R	(\$3,048,890)	R
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The economic forecast models project a 10.5% decline in diesel fuel cost from the current year's average. The current average cost is \$0.92 per gallon and the Continuation Budget was based on an estimated cost of \$1.05 per gallon. This adjustment budgets diesel fuel at \$0.92 which is the current level. All school buses utilize diesel fuel.

7 Transportation Adjustment: Inventory Adjustment

(\$4,000,000)	NR		
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June 30, 2000 inventory levels (oil, tires, and parts) were approximately 62% of annual needs. This one-time reduction is to reduce current inventory levels to a more optimum level.

8 Revised Projection of Average Daily Membership

(\$20,199,068)	R	(\$16,227,221)	R
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To eliminate the possibility of duplicating the inclusion of some students in projecting a local school administrative units average daily membership and to project a more realistic estimate of future student populations.

-235.00		-175.00	
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Conference Report on the Continuation, Capital, and Expansion Budget	FY 2001-02		FY 2002-03	
9 Classroom Materials/Instruction Supplies/Equipment	(\$1,140,499)	R	(\$1,140,499)	R
Adjust the increase for inflation to a 3% growth (in line with the Consumer Price Index) from the 5% growth used in the Continuation Budget.				
10 School Building Administration	(\$2,338,140)	R	(\$2,338,140)	R
Estimated new public schools opening in FY 2001-02 has been revised to 35 (from 70).				
11 At-Risk Student Services/Alternative Schools	(\$529,732)	R	(\$529,732)	R
Each high school receives funding to employ a school safety officer. The estimate of new high schools scheduled to open in FY 2001-02 has been reduced to 10 (from 20).				
12 Charter School Reserve	(\$2,404,513)	R	(\$3,404,513)	R
Funds in the category are used to distribute the applicable State funding to charter schools for students attending a charter school who were not previously in a public school (private or home schooled). Since the number of charter schools has reached the maximum legislated number of 100, the reserve can be reduced to \$2 million in FY 2001-02 and \$1 million in FY 2002-03.				
13 Driver Education	\$0	R	\$0	R
To reflect reductions to the Highway Fund for revised Average Daily Membership Projections and an adjustment based on average annual reversions. Reduction to Receipts: (\$1,830,739)				
B. Reduction of Administration Cost				
14 Safety Assistance Teams	(\$500,000)	R	(\$500,000)	R
Eliminates funding used for Statewide consultants.				
15 Regional Education Service Alliances	(\$3,732,100)	R	(\$3,732,100)	R
Reduce State funding distributed to local school administrative units that could be used to support the Regional Education Service Alliances to \$3 million (a 55.4% reduction).				
16 Central Office Administration	(\$3,300,000)	R	(\$3,300,000)	R
A 1.97% reduction from FY 2000-01 allocations for each local school administrative unit. The State Board is directed to develop a revised formula for FY 2002-03 that eliminates any permanent hold harmless in the formula.				
17 Uniform Education and Reporting System (UERS)	(\$2,500,000)	NR	\$0	NR
Based on the current NC WISE implementation schedule, a one-year reduction in funding is possible. FY 2001-02 funding level will be \$12,518,927.				

Conference Report on the Continuation, Capital, and Expansion Budget

FY 2001-02

FY 2002-03

18 Department of Public Instruction

(\$3,200,000) R (\$3,200,000) R

The Department of Public Instruction will eliminate at least 25 positions and will reduce other costs. \$533,730 can be transferred from the UERS budget in FY 2001-02 and additional \$466,270 in FY 2002-03 to DPI to reduce contractual costs by internalizing work to support the Uniform Education and Reporting Systems (UERS). This transfer is to allow currently contracted services to be converted to positions.

25 Identified Positions	(\$ 942,344)
Contracted Services	(\$1,502,269)
Cellular Phones	(\$11,505)
Equipment	(\$194,251)
Elimination of Stds Board	(\$175,041)
Contracted Personal Services	(\$41,775)
Travel	(\$195,503)
Other Aid	(\$73,000)
Printing	(\$24,506)
Postage	(\$23,876)
Dues and Subs	(\$15,930)

C. Other Budget Adjustments**19 Vocational Education - Tech Prep**

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

Eliminates State funding for Tech Prep. Federal funds in excess of \$3 million support this program.

20 Appropriations to Non-Public School Agencies(\$3,955,116) R (\$3,955,116) R
\$1,786,875 NR

Eliminate funding for AVID pilot program. Reduce funding to the following Agencies by 50% and make non-recurring: A+ Schools, ExplorNet, TQE, Geographic Alliance, Cued Speech Center, Global Curriculum. Reduce funding to Schools Attuned, Public School Forum, Cities/Communities in Schools, NC Network, and Teacher Cadet programs by 10%.

D. Improving Student Performance**21 Targeted Class Size Reduction and Instruction**

\$8,062,603 R \$8,062,603 R

a. In schools with 80% or more of the students eligible for free or reduced lunch and with 45% or more of students performing below grade level, lower class size in grades K-3 to 1:15. Require teachers allotted for these grades to be assigned to teach in these grades.

179.60 179.60

22 Targeted Class Size Reduction and Instruction

\$973,455 R \$2,334,930 R

b. Extend the contract for all teachers in these targeted schools for five days (5) in 2001-02 and ten days (10) in 2002-03. The first year days will be for staff development in methods to individualize instruction in smaller classes. The second year will add 5 instructional days.

23 Targeted Class Size Reduction and Instruction

\$1,840,380 R \$1,840,380 R

c. Provide one additional instructional support position for each of these targeted schools.

37.00 37.00

Conference Report on the Continuation, Capital, and Expansion Budget	FY 2001-02		FY 2002-03	
24 Targeted Class Size Reduction and Instruction	(\$8,068,580)	R	(\$8,068,580)	R
d. Eliminate regular dollar allotment for teacher assistants in grades K-3 in these targeted schools due to significantly lower class size.				
25 Targeted Class Size Reduction and Instruction	\$500,000	R	\$500,000	R
e. Provide funding for outside evaluation of targeted class size reduction initiatives.				
26 Targeted Class Size Reduction and Instruction: Kindergarten	\$12,045,179	R	\$26,082,252	R
Lower class size ratio in kindergarten to one teacher for every 19 students in 2001-02 and to one teacher for every 18 students in 2002-03.	268.50		581.00	
27 Class Size Reduction/ Instruction: Continually Low-Performing Schools	\$471,366	R	\$471,366	R
a. Reduce class-size in schools identified by the State Board of Education as continually low-performing in grades K-3 to 1:15 and in grades 4-5 to 1:17.	10.50		10.50	
28 Class Size Reduction/ Instruction: Continually Low-Performing Schools	\$1,207,595	R	\$1,207,595	R
b. Reduce class-size allotment in middle schools (Grades 6-8) to 1:17 and in high schools to 1:20 for continually low-performing schools.	26.90		26.90	
29 Class Size Reduction/ Instruction: Continually Low-Performing Schools	\$128,295	R	\$307,730	R
c. Extend the contracts for additional teachers in elementary schools and for all teachers in middle and high schools by 5 days in 2001-02 for staff development and add an additional 5 days of instruction for middle and high schools in 2002-03. These apply for schools identified as continually low-performing.				
30 Teacher Recruitment Initiatives				
a. Have the Education Oversight Committee study methods to provide benefits to part-time teachers to attract more certified teachers back into the classroom.				
31 Teacher Recruitment Initiatives	\$1,000,000	R	\$1,000,000	R
b. Teacher Assistant Scholarships Additional scholarship funds for teacher assistants taking courses at community colleges that are prerequisites for teacher certification programs. (Major initiatives in the UNC budget will improve availability of teacher education programs for teacher assistants).				

Conference Report on the Continuation, Capital, and Expansion Budget	FY 2001-02		FY 2002-03	
32 Teacher Recruitment Initiatives	\$1,500,000	R	\$1,500,000	R
c. To attract teachers in the shortage fields of mathematics, science and special education and to entice teachers in these specialties to teach in schools with large numbers of at-risk students. In middle schools and high schools with 80% or more of the students eligible for free or reduced lunch or with 50% or more of students performing below grade level, provide an annual bonus of \$1,800 (paid monthly with matching benefits). Teachers must be certified in and teaching in these fields and will remain eligible for the bonus as long as they continue to teach in eligible schools.				
33 ABC Bonuses	(\$93,100,000)	R	(\$93,100,000)	R
Provide funding for ABC bonuses for schools meeting or exceeding expected growth in 2000-01.	\$93,100,000	NR		
34 ABC Bonuses: Pilot Districts				
Provide funding for school personnel in five (5) pilot school districts for additional bonuses earned under the disaggregated performance pilot project directed by the General Assembly in 1999 (Sec. 8.36, SL 1999-237: HB 168). If a school achieves the pilot program goals, all certified personnel assigned to the school will receive up to \$750 and teacher assistants up to \$325 (these awards are in addition to standard ABC bonuses). LEAs not eligible for low wealth or small county supplemental funding must contribute 25% of the total cost of the bonuses.	\$4,600,000	NR		
35 Character Education	\$200,000	R	\$200,000	R
Funding for expansion of character education program.				
36 Children with Special Needs	\$3,000,000	R	\$3,000,000	R
Increase funding per student for children with special needs. The appropriation per funded headcount increases \$37.98 to \$2,650.28 (before increases for salary increases).				
37 Improving Student Accountability	\$5,000,000	R	\$5,000,000	R
Increase funding for additional instruction for students performing below grade level.				
38 Limited English Proficiency	\$1,000,000	R	\$1,000,000	R
Appropriate additional funds to serve students with limited proficiency in English. This brings the total funding for this purpose to \$23,037,655 for FY 2001-02 (prior to adjustments for any legislated salary increase).				
39 Low-Wealth Funding	\$4,000,000	R	\$4,000,000	R
Increase funding for school districts in counties with less ability to generate local resources for public schools.				
40 Small County Funding	\$2,000,000	R	\$2,000,000	R
Increase formula funding to counties with fewer than 3,239 students (or 4,080 if property tax base per student is lower than state average). This will increase base allotment to each eligible LEA by \$74,074.				

E. Other Increases**41 Instructional Supplies**

Expand funding for instructional supplies. Language will direct that each LEA will allocate a minimum of \$100 to each teacher for purchase of supplies.

\$0	R	\$0	R
\$4,100,000	NR		

42 School Accountability Report Cards

Funds for the Education Cabinet to develop, publish, and distribute school accountability report cards. The cards should be designed to supply parents information on school characteristics and performance.

\$200,000	R	\$200,000	R
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43 Average Daily Membership Contingency Reserve

Provides additional funds to the State Board of Education to address transitional year funding for local school administrative units with new charter schools and for first month allotment adjustments to local school administrative units with higher than expected enrollment growth.

\$500,000	R	\$500,000	R
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44 NCWISE OWL's On-Line Subscriptions

NCWISE OWL is operated by the North Carolina Department of Public Instruction and offers on-line resources (periodicals, encyclopedia, etc.) for K-12 teachers and students. Federal resources that have been discontinued have covered the subscription cost. The Department of Public Instruction will work collaboratively with the Department of Cultural Resources and report to the Joint Information Technology Appropriations Subcommittee by March 15, 2002 as to the feasibility of merging NCWISE OWL with NCLIVE (which also offers on-line subscription services).

\$628,000	R	\$628,000	R
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Total Legislative Changes

(\$117,333,543)	R	(\$98,842,603)	R
\$73,170,983	NR	\$0	NR

Total Position Changes

287.50	660.00
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Revised Budget

\$5,879,640,364	\$5,922,188,546
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UNC System

		GENERAL FUND	
		FY 2001-02	FY 2002-03
Recommended Budget		\$1,804,923,800	\$1,812,208,855
Legislative Changes			
Campus Reductions			
45 Temporary Wages and Membership Dues	(\$2,500,000) R	(\$2,500,000) R	
Reduce the funding for temporary wages and membership dues at the 16 UNC constituent institutions.			
46 Community Services/General Academic Support	(\$1,500,000) R	(\$1,500,000) R	
Reduce amount appropriated for Community Services/General Academic Support for the 16 constituent institutions.			
47 Reduction in SPA Positions	(\$10,694,131) R	(\$10,694,131) R	
Reduce SPA positions at the 16 constituent institutions by 2.8%.			
	-359.60	-359.60	
48 Reductions in EPA Non-Teaching Staff Positions	(\$5,902,497) R	(\$5,902,497) R	
Reduce EPA non-teaching positions at the 16 constituent institutions by 2.8%. The position reductions in Cooperative Extension and Agricultural Research shall be made only in non-teaching positions.			
	-95.20	-95.20	
49 Reductions in Various Modified Zero Based Budget Items	(\$5,726,311) R	(\$5,726,311) R	
An average 5% reduction is made in the budgets of the 16 constituent institutions for the following modified zero based budget items: miscellaneous contractual services, rental/lease of equipment, travel, cellular phones, furniture and equipment, and other aids and grants.			
50 Private Funding for Selected Summer Research In Lieu of State Appropriation	(\$1,000,000) R	(\$1,000,000) R	
Substitute some private funding for a portion of state appropriations for select faculty to do summer research. This will be selected at the campus level.			
51 Continuing Education Receipts	(\$378,775) R	(\$378,775) R	
Increase by 10% the receipts generated through continuing education programs at UNC-CH Health Affairs.			
52 Center for Alcohol Studies Endowment	(\$250,000) NR		
Reduces the appropriation to the Center for Alcohol Studies Endowment for one year.			
53 Institute of Southern Politics, Media & Public Life	(\$225,000) R	(\$225,000) R	
Eliminates the specific funding for this program, but allows UNC-CH to use other state or other sources of funds to continue this program.			
	-2.00	-2.00	

Conference Report on the Continuation, Capital, and Expansion Budget	FY 2001-02		FY 2002-03	
54 Institute for Outdoor Drama	(\$60,000)	R	(\$60,000)	R
Eliminates funds for the newly-established position of Director of Communications at the Institute for Outdoor Drama at UNC-CH.	-1.00		-1.00	
55 Additional Administrative Efficiencies	(\$5,000,000)	R	(\$5,000,000)	R
The University System shall find additional administrative efficiencies.				
56 Reduction in Travel	(\$1,000,000)	R	(\$1,000,000)	R
The University System shall make additional reductions in its travel expenses.				
UNC General Administration				
57 Reductions in Modified Zero Based Budget Items for UNC-GA	(\$750,125)	R	(\$750,125)	R
A 10% reduction is made in the budget of UNC-General Administration for the following modified zero based budget items: miscellaneous contractual services, rental/lease of equipment, travel, cellular phones, furniture and equipment, and other aids and grants.				
58 Reduce EDP Equipment	(\$80,000)	R	(\$80,000)	R
Reduce Electronic Data Processing equipment infrastructure replacement efforts at UNC-GA.				
59 Board of Governors' Meetings	(\$30,800)	R	(\$30,800)	R
The Board of Governors recently voted to reduce the number of times it will meet during the year to eight. This is the corresponding budget reduction for meeting costs.				
60 MCNC Contract	(\$5,000,000)	R	(\$5,000,000)	R
Reduce the state funds paid to MCNC by UNC-General Administration for the use of the MCNC Supercomputing Center and move to a fee for service.				
61 Litigation Contract	(\$200,000)	R	(\$200,000)	R
Eliminate funding for the litigation contract with the Department of Justice. UNC-GA is still required to maintain the contract and reimburse the Department of Justice for legal services.				
62 UNC General Administration SPA Position Reductions	(\$422,345)	R	(\$422,345)	R
Reduces the SPA positions in UNC General Administration by 5%.	-11.50		-11.50	
63 UNC General Administration EPA Non-Teaching Staff Position Reductions	(\$541,925)	R	(\$541,925)	R
Reduces the EPA non-teaching staff positions in UNC General Administration by 5%.	-5.25		-5.25	
64 Administrative Overhead Reduction	(\$166,791)	R	(\$166,791)	R
Eliminate the administrative overhead from General Fund appropriations in the Center for School Leadership Development's central office.	-1.60		-1.60	

Conference Report on the Continuation, Capital, and Expansion Budget	FY 2001-02		FY 2002-03	
65 Reduce Teacher Academy	(\$533,396)	R	(\$533,396)	R
Reduces the funding for the Teacher Academy.				
66 Reallocate Funds from the Model Teacher Education Consortium	(\$822,082)	R	(\$822,082)	R
Reallocate a portion of the Model Teacher Education Consortium funds to a more comprehensive method of delivering program goals.	-2.50		-2.50	
67 Office Consolidation Savings	(\$100,000)	R	(\$100,000)	R
Savings from the consolidation of offices for the programs under the Center for School Leadership Development.				
68 Reduction in All Center for School Leadership Development Programs	(\$833,315)	R	(\$833,315)	R
Reduces all programs under the Center for School Leadership Development. These programs shall not be subject to the across-the-board personnel reductions taken for UNC-GA or the campuses. The Joint Legislative Commission on Education Oversight will study these programs for recommended savings.				
69 Matching Incentive Funds	(\$350,000)	R	(\$350,000)	R
Reduce Matching Incentive Funds for staff development in K-16 programs.				
70 Lighthouse Schools	(\$260,000)	R	(\$260,000)	R
Eliminate funding for Lighthouse Schools under the Center for School Leadership Development.				
71 Strategic Initiative Reserve	(\$1,000,000)	NR		
Reduce the UNC System President's Strategic Initiative Reserve that is used to fund special projects. The current reserve is funded at \$3,000,000 per year. UNC-GA shall provide a detailed report to the Joint Legislative Commission on Education Oversight prior to March 1 annually on how these funds are spent. \$1 million of the remaining funds shall be used to provide transition funding to temporarily offset the effects of permanent position cuts at the historically black and minority and smaller campuses.				
University Expansion Funds				
72 Regular Term Enrollment Increase	\$28,358,828	R	\$28,358,828	R
Fully funds the UNC Board of Governors' regular term enrollment increase, including the "hold-harmless" for those campuses losing enrollment. This funds an additional 2,435 full-time equivalent students.	238.30		238.30	
73 Distance Education Enrollment Increase	\$12,178,135	R	\$12,178,135	R
Fully funds the UNC Board of Governors' distance education enrollment increase requests. This funds 1,085 additional FTE students.	96.30		96.30	

Conference Report on the Continuation, Capital, and Expansion Budget	FY 2001-02		FY 2002-03	
74 Faculty Productivity	(\$3,000,000)	R	(\$3,000,000)	R
Increase faculty productivity by using existing tenure-stream faculty who teach an average of fewer than 15 credit hours a year to help with the projected enrollment growth. This reduction is for faculty paid from the code "1310 EPA Teaching Faculty" line.				
75 Tuition Increase	(\$30,864,857)	R	(\$30,864,857)	R
There is a 9% across-the-board tuition increase for all students for the 2001-02 academic year. In addition, the Board of Governors' differentials for graduate and professional schools shall remain in effect. Also, the campus-initiated increases shall remain in effect.				
76 Need-Based Student Financial Aid	\$8,928,000	R	\$8,928,000	R
Adds additional funds to the existing need-based student financial aid program. The current direct appropriation for this program is \$6.3 million.				
77 Aid to Students Attending Private Colleges	\$3,226,210	R	\$3,226,210	R
Provides funds to cover the projected enrollment increases in the funds for students attending private colleges. \$2,346,210 is to cover the 1,192 additional students anticipated to receive the Legislative Tuition Grant (LTG). The State Contractual Scholarship (SCSF) program will increase by \$880,000 to cover an additional 800 FTE students. The current appropriation for the LTG program and the SCSF is \$75.7 million.				
78 Education Cabinet/Research Council Funds	\$250,000	R	\$250,000	R
This restores half of the non-recurring appropriation made during the last fiscal year for the Education Cabinet and the Education Research Council.				
	2.00		2.00	
79 Scholarships for Teacher Assistants Pursuing Teaching Degrees	\$1,000,000	R	\$1,000,000	R
Funds are appropriated to provide scholarships for teacher assistants.				
80 Institute of Government-Center for Technology Support	\$150,000	NR		
To support Center's efforts to provide technical assistance to local governments.				
81 Teacher Preparation Programs through Distance Education	\$2,000,000	R	\$2,000,000	R
Provides additional funds for all UNC teacher education programs across the state provided through distance education that do not have an on-campus residency requirement. Funds shall be allocated based on their student credit hour enrollment.				
82 Genomics, Bioinformatics, Optoelectronics, and Photonics Research	\$1,375,000	R	\$1,375,000	R
Provides funds for the new genomics, bioinformatics, optoelectronics, and photonics research programs.				

Conference Report on the Continuation, Capital, and Expansion Budget	FY 2001-02		FY 2002-03	
83 Eliminate Room and Board Charges at the North Carolina School of the Arts	\$1,069,802	R	\$1,069,802	R
Eliminate room and board charges for in-state high school students at the North Carolina School of the Arts.				
84 NC A&T State University Matching Funds	\$530,000	R	\$530,000	R
Provides funds to match federal funds for NC A&T State University's agricultural programs.				
85 ECU Doctoral Status Funds	\$1,500,000	R	\$1,500,000	R
Funds the last phase of the transition of ECU to Doctoral I status.				
86 Progress Board	\$250,000	R	\$250,000	R
Provides recurring funds for the Progress Board which is funded through the university system.				
87 Closing the Achievement Gap	\$250,000	R	\$250,000	R
Provides funds to support the Historically Minority College and University Consortium initiative to close the achievement gap. Funds shall be allocated to UNC-General Administration for distribution to the consortium.				
88 Focused Growth Institutions-Special Needs	\$2,247,850	R	\$2,247,850	R
To provide funds as requested by the UNC Board of Governors to fund the special needs for the Focused Growth Institutions in the UNC system.				
89 TEACCH Program Funds	\$290,500	R	\$290,500	R
Additional funds for the TEACCH program to enable them to apply for a National Institute of Health grant and other grant funds.				
Total Legislative Changes	(\$14,488,025)	R	(\$14,488,025)	R
	(\$1,100,000)	NR		
Total Position Changes	-142.05		-142.05	
Revised Budget	\$1,789,335,775		\$1,797,720,830	

Community Colleges

		GENERAL FUND	
		FY 2001-02	FY 2002-03
Recommended Budget		\$648,021,974	\$648,021,974
Legislative Changes			
A. Community College System Offices			
90 Operating Efficiencies	(\$197,923) R	(\$197,923) R	
Eliminate the library ordering and receiving services and two library clerk positions totaling \$59,543. Colleges will be responsible for ordering and receiving library materials.	-4.00	-4.00	
Eliminate a vacant educational consultant position and operating funds totaling \$64,432. Eliminate a vacant position in the Office of the President totaling \$23,396.			
B. State Aid - Community College Institutions			
91 Compensatory Education	(\$150,537) R	(\$150,537) R	
Reduce the appropriation for Compensatory Education from \$1,150,537 to \$1,000,000.			
92 Worker's Compensation	(\$272,927) R	(\$272,927) R	
Reduce the appropriation for Worker's Compensation from \$976,629 to \$703,702 to reflect actual expenditures.			
93 Unemployment Compensation	(\$81,015) R	(\$81,015) R	
Reduce the appropriation for Unemployment Compensation from \$521,766 to \$440,751 to reflect actual expenditures.			
94 Reduce Liability Insurance	(\$20,000) R	(\$20,000) R	
Reduce the appropriation for Liability Insurance from \$53,000 to \$33,000 to match actual expenditures.			
95 Eliminate Priority Programs	(\$43,812) R	(\$43,812) R	
Eliminate Priority Programs since this item was intended to support federal funds that are no longer available.			
96 Reduce Human Resource Development Funds	(\$2,951,895) R	(\$2,951,895) R	
Reduce the appropriation for Human Resource Development from \$6,951,895 to \$4,000,000. The program will be reorganized and the classes will be offered as Occupational Continuing Education classes.			
97 Reduce Special Allotments	(\$561,083) R	(\$561,083) R	
Reduce the Special Allotment line item from \$2,244,332 to \$1,683,249.			

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FY 2001-02

FY 2002-03

98 Community Service Block Grant Adjustment

(\$317,738) R

(\$317,738) R

Reduce the funds allocated for hobby/leisure courses from \$1,817,738 to \$1,500,000. Colleges will make every effort to ensure that this reduction does not result in a lessening of senior services.

99 Eliminate the State Subsidy to Private Diploma Nursing Programs

(\$200,000) R

(\$200,000) R

Eliminate the recurring State subsidy to private diploma nursing programs. Provide non-recurring funds for the program in the first year of the biennium.

\$200,000 NR

100 Adjustment for Over-realized Receipts

(\$1,000,000) R

(\$1,000,000) R

Increase the budgeted amount of tuition and registration fees to more accurately reflect anticipated receipts.

101 Eliminate Trustees Association Education Fund

(\$25,000) R

(\$25,000) R

Eliminate the appropriation for educational materials for the Trustees Association.

102 Enrollment Adjustment

\$10,000,000 R

\$10,000,000 R

Provide funds for community college enrollment growth in accordance with the enrollment funding formula.

103 Faculty and Professional Staff Salary Enhancements

Provide the community college system with an additional 1.25% for faculty and professional staff salary increases. This increase of \$6.9 million in recurring funds is located in the Compensation Reserves section of the budget.

104 Other Cost Adjustment

\$521,206 R

\$521,206 R

Provide a 2% inflationary increase to the "Other Cost" part of the funding formula. Increase amount allocated per FTE for "Other Cost" from \$175 to \$178.50.

105 Maintenance of Plant

\$274,209 R

\$274,209 R

Increase the Maintenance of Plant appropriation from \$513,668 to \$787,877. The purpose of this increase is to hold harmless those colleges that had been receiving Maintenance of Plant funds when additional schools became eligible.

106 Fayetteville Tech Botanical Lab Funds

A nonrecurring grant-in-aid to Fayetteville Tech to develop a regional botanical laboratory in partnership with the Cape Fear Botanical Gardens.

\$300,000 NR

C. Specialized Technology Centers**107 Criminal Justice Reorganization**

(\$350,000) R

(\$350,000) R

Reorganize the Criminal Justice Regional Planning and Training Program into three regions to be determined by the System Office. Reduce the appropriation for the Criminal Justice program from \$689,896 to \$339,896.

-3.00

-3.00

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D. Reserves and Other Funds**108 Reduce State Board Reserve**

(\$350,000) R

(\$350,000) R

Reduce the appropriation for the State Board Reserve from \$1,150,000 to \$800,000.

109 Increase Need-Based Financial Aid

\$1,062,806 R

\$1,062,806 R

Increase the Need Based Financial Aid fund from \$5,000,000 to \$6,062,806.

D. Tuition and Fees**110 Increase Curriculum Tuition Charge**

(\$10,162,806) R

(\$10,162,806) R

Increase the in-state tuition charge per semester hour by \$3.50 from \$27.50 to \$31.00. Increase the out-of-state tuition charge per semester hour by \$3.50 from \$169.75 to \$173.25. It is anticipated that for most students, this increase will be off-set by federal and state financial assistance programs.

Total Legislative Changes

(\$4,826,515) R

(\$4,826,515) R

\$500,000 NR

Total Position Changes

-7.00

-7.00

Revised Budget

\$643,695,459

\$643,195,459

**HEALTH
&
HUMAN SERVICES
Section G**

Health and Human Services

		GENERAL FUND	
		FY 2001-02	FY 2002-03
Recommended Budget		\$3,471,730,643	\$3,725,304,459
Legislative Changes			
(1.0) Division of Mental Health			
1 Administration in Area Programs		(\$1,500,000)	R (\$1,500,000) R
Reduces state appropriations to area mental health programs and directs DHHS to develop and implement guidelines to bring administrative costs at area programs into a more reasonable range.			
2 Various Contracts		(\$1,020,345)	R (\$1,020,345) R
Eliminates the following contracts:			
UNC-CH Ctr for the Study of Development and Learning 250,000			
Life Plan Trust, Inc. 45,930			
Duke University 12,006			
Reduces the following:			
UNC-CH DD Training Institute 100,000			
NC State Center of Urban Affairs 265,227			
Governor's Institute on Alcohol and Substance Abuse, Inc. 100,000			
Council on the Accreditation of Services for Families and Children 247,182			
3 State Appropriations to State MR Centers		(\$2,900,000)	R (\$2,900,000) R
Reduces state appropriations to the five (5) state mental retardation centers in accordance with the State's 4% Downsizing Plan.			
4 Medical Services Director Contract		(\$134,695)	R (\$134,695) R
Eliminates a contract with UNC-CH for the services of a medical director for the Division.			
5 Position Eliminations		(\$1,326,036)	R (\$1,326,036) R
		-22.00	-22.00
6 Neurobehavioral Treatment Unit		(\$571,526)	R (\$571,526) R
Eliminates funding for the creation of a new neurobehavioral treatment unit for individuals with traumatic brain injury (to be located at the state's Black Mountain Center).			
		-51.00	-51.00

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7 Improved Efficiencies for Hospital Operations	(\$1,079,242)	R	(\$1,079,242)	R
Transfers responsibility for Cherry Hospital laundry operations to the Department of Corrections Enterprise Industries.				
8 Medical/Surgical Unit at Dix Hospital	(\$420,982)	R	(\$420,982)	R
Reduces appropriations for a medical/surgical unit located at Dix Hospital which was closed in October 2000. Medical/surgical services will be provided via contract.				
9 Oakview Program	(\$600,055)	R	(\$600,055)	R
Eliminates state appropriations for an apartment program for adolescents which is no longer in use.				
	-16.50		-16.50	
10 Medicaid Receipts on Child/Adolescent Beds	(\$1,343,780)	R	(\$1,343,780)	R
Reduces state appropriations in anticipation of receipts for the child and adolescent beds in state psychiatric hospitals.				
11 Medicaid Receipts for EATP at Wilson	(\$465,338)	R	(\$465,338)	R
Reduces state appropriations in anticipation of Medicaid receipts for the adolescent beds in the state's Eastern Adolescent Treatment Program located in Wilson.				
(2.0) Division of Social Services				
12 Various Contracts	(\$567,743)	R	(\$567,743)	R
Eliminates the following:				
Work Central Call Support Ctr	\$155,850			
Reduces the following:				
Appalachian State University	60,000			
Tier, Inc.	301,893			
NC DSS Director's Association	50,000			
13 Position Eliminations	(\$756,108)	R	(\$756,108)	R
	-20.00		-20.00	
14 Families for Kids Funding	(\$500,000)	R	(\$500,000)	R
Reduces State funds for Families for Kids initiative.				
15 Family Resource Centers	(\$250,000)	R	(\$250,000)	R
Reduces state funds for Family Resource Centers and directs DHHS to allocate the remaining funds based on program performance.				
16 Excess State/County Special Assistance	(\$2,751,750)	R	(\$2,751,750)	R
Reduces excess state appropriations in the State/County Special Assistance program.				
17 County Program Integrity Worker Funding	(\$2,500,000)	R	(\$2,500,000)	R
Eliminates a grant-in-aid to all counties for program integrity activities.				

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18 Carolina ACCESS County Positions	(\$1,236,492)	R	(\$1,236,492)	R
Eliminates Carolina ACCESS county positions located in county departments of social services.				
19 Regional Office Positions	(\$155,784)	R	(\$155,784)	R
Eliminates 7 regional office clerical positions. Other personnel will absorb associated job duties.	-7.00		-7.00	
20 Work First Transfer to General Assembly	(\$40,000)	R	(\$40,000)	R
Eliminates the transfer of funds to offset the cost of the Joint Legislative Public Assistance Commission which is being repealed.				
(3.0) Division of Medical Assistance				
21 ICF/MR Rate Adjustment	(\$2,631,380)	R	(\$2,723,225)	R
Adjusts rates for private Intermediate Care Facilities for the Mentally Retarded to reflect actual costs and eliminate profit.				
22 New Inflationary Increases	\$0	R	(\$20,000,000)	R
Eliminates new inflationary increases for SFY 2002-2003.				
23 Drug Utilization Management	(\$16,700,000)	R	(\$33,600,000)	R
Implements various drug utilization measures to contain the cost of prescription drugs as recommended by the "North Carolina Medicaid Benefit Study".				
24 ACCESS Medical Director Contract	(\$87,500)	R	(\$87,500)	R
Eliminates the contract for the medical director for the Carolina ACCESS program as recommended by the "North Carolina Benefit Study".				
25 Dispensing Fee for Drugs	(\$3,450,000)	R	(\$4,500,000)	R
Reduces the dispensing fee for prescription drugs from \$5.60 to \$4.00 per brand name prescription. The dispensing fee for generic drugs is \$5.60.				
26 Generic Drugs	(\$1,000,000)	R	(\$1,000,000)	R
Implements increased utilization of generic drugs.				
27 Daily Personal Care Services Limit	(\$2,500,000)	R	(\$5,900,000)	R
Limits Personal Care Services to 3.5 hours per day while maintaining the 80 hour per month limit.				
28 Asset Policy Changes	(\$2,000,000)	R	(\$3,800,000)	R
Apply federal transfer of asset policies to real property excluded as "income producing" under Title XIX.				
29 Medicare Crossover Claims Payments	(\$6,500,000)	R	(\$11,400,000)	R
Limit Medicare Crossover claims payments to 95% of Medicare rates.				

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30 Position Eliminations	(\$256,693)	R	(\$256,693)	R
	-12.00		-12.00	
31 Optional Services	(\$246,762)	R	(\$400,000)	R
Eliminates optional circumcision procedures except in cases of medical necessity.				
32 Physician Rates to 95% of Medicare Rates	(\$5,900,000)	R	(\$11,500,000)	R
Reduces rates paid to physicians to 95% of the physician rates paid by Medicare as recommended by the "North Carolina Medicaid Benefit Study".				
33 Co-payments for Prescription Drugs	(\$3,160,000)	R	(\$3,550,000)	R
Increases co-payments for brand name prescription drugs from \$1 to \$3 per prescription. Co-payments for generic prescriptions remain at \$1 per prescription.				
(4.0) Office of the Secretary				
34 Welfare Automation Fund	(\$1,500,000)	R	(\$1,500,000)	R
Reduces state appropriations to the fund which supports automation enhancement in the Work First Program.				
35 Community Action Agency Funds	(\$300,000)	R	(\$300,000)	R
Eliminates state appropriations to Community Action Agencies in lieu of increased federal grant funds.				
36 Position Eliminations	(\$2,526,311)	R	(\$2,526,311)	R
	-45.00		-45.00	
37 Contract	(\$21,344)	R	(\$21,344)	R
Eliminates a contract for personal services in support of a Medicaid waiver proposal, activities will be absorbed by existing staff.				
(5.0) Division of Child Development				
38 Smart Start Evaluation	(\$500,000)	R	(\$500,000)	R
Reduces state funds for evaluation activities for Smart Start and directs DHHS to contract for a more focused review of Smart Start activities directly related to kindergarten readiness.				
39 Early Head Start	(\$549,478)	R	(\$549,478)	R
Eliminates state appropriations in lieu of increased federal Early Head Start funds.				
40 Position Eliminations	(\$565,807)	R	(\$565,807)	R
	-16.00		-16.00	

Conference Report on the Continuation, Capital, and Expansion Budget		FY 2001-02		FY 2002-03	
41 Various Contracts		(\$40,000)	R	(\$40,000)	R
Eliminates contracts for the following:					
Personal Services contract for child abuse curriculum development \$15,000					
Child Care Services Association, Inc. 25,000					
42 Smart Start		(\$59,000,000)	R	(\$59,000,000)	R
(\$48,500,000)					
Reduces the Governor's proposed increase in Smart Start continuation funding - funds not yet received by local partnerships.					
(\$10,500,000)					
Reduces state appropriations to the North Carolina Partnership for Children, state administration and local partnership operations. This reduction is minimized by policy changes in how funds are utilized for quality improvements and a prohibition on the use of funds for capital/equipment projects.					
(6.0) Division of Vocational Rehabilitation					
43 Position Eliminations		(\$58,770)	R	(\$58,770)	R
		-3.00		-3.00	
(7.0) Division of Public Health					
44 Position Reductions		(\$237,995)	R	(\$237,995)	R
		-7.59		-7.59	
45 Various Contracts		(\$985,554)	R	(\$985,554)	R
Reduces the Healthy Start Foundation contract by \$150,000.					
Eliminates the following contracts: Association of NC Boards of Health - \$100,000, Mecklenburg County Mental Health Authority - \$86,144, NC Fair Share - \$10,000, Pennsylvania State University - \$53,355, UNC (Hypertension Data Analysis) - \$10,000, UNC Family Services Network - \$223,561, UNC School of Public Health - \$225,000, and UNC School of Public Health - \$127,494					
46 Vital Record Receipts		(\$60,000)	R	(\$60,000)	R
Adjusts the budget to accurately reflect the amount of receipts to be collected for the sale of vital records.					
47 Newborn Screening Program		(\$2,050,000)	R	(\$2,050,000)	R
Reduces state appropriations in anticipation of increased Medicaid Receipts.					
48 Health Promotion Activities		(\$1,000,000)	R	(\$1,000,000)	R
Reduces state appropriations for Health Promotion activities.					

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49 Sickie Cell Prog. Ed. Counselors

(\$54,633) R

(\$54,633) R

Reduces state appropriations in anticipation of increased Medicaid receipts.

50 Position Eliminations

(\$551,043) R

(\$551,043) R

-8.00

-8.00

51 AIDS Drug Assistance Program

\$0 R

\$0 R

Reduces state appropriations on a non-recurring basis due to excess ADAP funds.

(\$1,500,000) NR

\$0 NR

52 Nurse Midwifery Program

(\$340,000) R

(\$340,000) R

Eliminates funding for the Nurse Midwifery Program which funds start-up midwifery practices.

53 Position Transfers

Transfers the following positions from Division of Early Intervention and Education into Division of Public Health, Women's and Children's Health Section: Audiologists: 4425-1231-1211-921, 4429-1536-1211-020; Speech and Language Pathologist: 4429-1526-1211-027; Language/Communication Specialist: 4429-1516-1251-004; Social Workers: 4425-1231-1211-920, 4429-1526-1211-026, and 4429-1536-1211-019

0.00

0.00

54 Rural Obstetrics Incentive Program

(\$1,255,000) R

(\$1,255,000) R

Eliminates Rural Obstetrics Incentive Program which pays a portion of the mal-practice insurance for doctors in rural areas to encourage them to treat Medicaid patients.

(8.0) Division of Education Services**55 Contracts to LEAs**

(\$984,000) R

(\$984,000) R

Eliminates the contracts with Local Education Agencies that were set-up to supplement educating hearing-impaired children transitioning out of the Central North Carolina School for the Deaf.

56 Various Contracts

(\$287,240) R

(\$287,240) R

Reduces the contract to Beginnings by \$200,000, and personal services for audiological management by \$87,240.

57 State-Operated Deaf Preschools

(\$384,997) R

(\$384,997) R

Reduces appropriations to the state-operated preschool centers and transitions the children from these centers to other preschool sites and services.

58 Position Eliminations

(\$778,495) R

(\$778,495) R

Eliminates 23 teacher and teacher assistant positions in the state-operated deaf preschools, as a result of transitioning children to other preschool sites and services.

-23.00

-23.00

59 Position Eliminations

(\$1,616,891) R

(\$1,616,891) R

-33.00

-33.00

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60 Developmental Eval. Centers	(\$457,271)	R	(\$457,271)	R
Reduces state appropriations in anticipation of increased Medicaid receipts.				
61 Reorganization/Changes	(\$2,000,000)	R	(\$2,000,000)	R
Eliminates state appropriations in the areas of administration and other recent budget revisions that reduced the budget of the Central North Carolina School for the Deaf to enhance the Division's central office.				
62 Central School for the Deaf	(\$1,200,000)	R	(\$1,200,000)	R
Savings from the Department of Health and Human Service's closure of the Central North Carolina School for the Deaf.				
(9.0) Division of Aging				
63 Position Eliminations	(\$43,539)	R	(\$43,539)	R
Eliminates 1 position.				
	-1.00		-1.00	
64 Area Agency on Aging (AAA) Administration Funds	(\$200,000)	R	(\$200,000)	R
Reduces \$200,000 in administrative funding for 17 Area Agencies on Aging. The Division will implement strategies to reduce overall administrative costs.				
65 UNC CARES Contract	(\$50,000)	R	(\$50,000)	R
Eliminates State funding for a contract with UNC-Chapel Hill for planning and evaluation services. The Division will assume the duties of the contract.				
(10.0) Division of Blind Services/Deaf				
66 Medical Eye Care Program	(\$100,000)	R	(\$100,000)	R
Reduces excess funding in the Medical Eye Care Program.				
67 Position Eliminations	(\$66,034)	R	(\$66,034)	R
	-2.00		-2.00	
(11.0) Division of Facility Services				
68 Fire Protection Revolving Loan Fund				
Eliminates appropriations in the Fire Protection Revolving Loan Fund.	(\$195,267)	NR	\$0	NR
69 EMS Regional Grants	(\$544,397)	R	(\$544,397)	R
Eliminates Emergency Medical Services Regional Grants.				
70 Position Eliminations	(\$322,870)	R	(\$322,870)	R
	-6.00		-6.00	

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71 Receipts for Mental Health Licensure	(\$250,000)	R	(\$250,000)	R
Increases receipts from Medicaid to support Mental Health Licensure.				
72 Grant for Association of Rescue and EMS	(\$24,999)	R	(\$24,999)	R
Eliminates the grant-in-aid for the NC Association of Rescue and EMS				
(12.0) Division of Mental Health				
73 Security Staff	\$248,435	R	\$248,435	R
Increases appropriations and staff due to a transfer of security responsibilities from the Juvenile Evaluation Center to the Julian F. Keith ADATC and the Black Mountain Center.				
	6.00		6.00	
74 Housing Support for the Mentally Ill	\$1,000,000	R	\$1,000,000	R
Provides funds to support the expansion of housing support and placements for the mentally ill.				
75 Autism Funds	\$450,000	R	\$450,000	R
Provides \$450,000 for administrative, operational, and direct services funds to the Autism Society of North Carolina. Also provides \$326,000 to continue operational support to the Residential Services, Inc. during FY01/02 in order allow the program to develop and implement the necessary processes to draw down Medicaid funds to continue residential services to autistic children.				
	\$326,000	NR	\$0	NR
76 Community Programs	\$3,500,000	R	\$3,500,000	R
Provides funds for area mental health programs as follows:				
Assertive Community Treatment Teams for non-Medicaid clients 200,000				
Family Support Activities 300,000				
Substance Abuse Services to Special Populations 1,000,000				
Expand Capacity for Detoxification, Residential and Outpatient Services 2,000,000				
77 Funds for At-Risk Children	\$4,353,000	R	\$4,353,000	R
Provides recurring funds for direct services to seriously disturbed children (funds were appropriated as non-recurring since FY98/99).				
(13.0) Division of Social Services				
78 Child Support Backlog	\$1,500,000	R	\$1,500,000	R
Provides funding for child support caseload backlogs in urban counties.				
79 Food Banks	\$1,000,000	NR	\$0	NR
Provides funds to be equally distributed to the regional network of food banks in North Carolina.				

Conference Report on the Continuation, Capital, and Expansion Budget	FY 2001-02		FY 2002-03	
80 Child Support Receipt Shortfall Increases state appropriations in child support operations due to an ongoing receipt shortfall.	\$2,000,000	R	\$2,000,000	R
(14.0) Division of Medical Assistance				
81 Community Alternatives Program for Children Provides additional slots for the Community Alternatives Program for Children.	\$500,000	R	\$500,000	R
82 CAP-MR/DD Program Provides funding for the Community Alternative Program for the Mentally Retarded/Developmentally Disabled.	\$1,000,000	R	\$1,000,000	R
83 Federal Financial Participation Rate Provides increased funding for the Medicaid Program due to a decrease in the federal financial participation rate.	\$35,000,000	R	\$79,000,000	R
84 Breast and Cervical Cancer Coverage Provides funding for Medicaid coverage for uninsured women under age 65 with breast or cervical cancer. Includes state costs for administration.	\$622,000 1.00	R	\$1,215,925 1.00	R
85 Health Choice Provides funding for increasing the enrollment for NC Health Choice to 82,000 children.	\$8,000,000	R	\$12,500,000	R
86 Access to Dental Services Provides funding to increase access to dental services for children and adults.	\$1,000,000	R	\$2,000,000	R
(15.0) Division of Public Health				
87 Healthy Start Foundation Provides funds for Healthy Start Foundation to improve access to prenatal care and reduce poor birth outcomes for families in North Carolina.	\$400,000	NR	\$0	NR
88 Varicella Vaccine Provides funding for varicella vaccinations for approximately 20,000 children.	\$700,761	R	\$700,761	R
89 Asthma Education Program Provides funding to support asthma management, control, surveillance, and education.	\$250,000	NR	\$0	NR
90 Alice Aycock Poe Center for Health Education Provides grant-in-aid to the Alice Aycock Poe Center for health education.	\$200,000	R	\$200,000	R
91 Osteoporosis Task Force Provides funding to continue activities of the Osteoporosis Task Force.	\$150,000	NR	\$0	NR

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92 Birth Defects Monitoring Program

Provides funding for the continuation of the birth defects registry.

\$125,000 R

\$125,000 R

3.00

3.00

93 Healthy Carolinians

Provides funding for Healthy Carolinians task forces throughout the state.

\$1,000,000 NR

\$0 NR

94 Office of Minority Health

Funds Office of Minority Health activities to reduce health disparities.

\$200,000 NR

\$0 NR

95 Prevention of Birth Defects

Provides funding for education and awareness activities on the importance of folic acid consumption preceding pregnancy, to effectively prevent neural tube birth defects.

\$400,000 NR

\$0 NR

96 Heart Disease and Stroke Prevention

Funds Heart Disease and Stroke Prevention Task Force activities.

\$100,000 NR

\$0 NR

97 Arthritis Prevention Project

Provides grant-in-aid for a private, local project in Mecklenburg County.

\$25,000 NR

\$0 NR

98 Medical Day Care Pilot Project

Provides funding for a start-up medical daycare center.

\$100,000 R

\$100,000 R

99 Prescription Drug Access Project

Provides funding to support a centralized system for accessing free and low cost drugs through pharmaceutical companies.

\$200,000 R

\$200,000 R

100 AIDS Drug Assistance Program

Increases funding for the AIDS Drug Assistance Program that pays for prescription drugs for qualified HIV and AIDS patients.

\$500,000 R

\$500,000 R

(16.0) Office of the Secretary**101 North Carolina Council on the Holocaust**

Provides funds for the Holocaust education in the public schools.

\$50,000 NR

\$0 NR

102 Adult Care Home Rate Methodology

Transfer to the General Assembly to hire a consultant to establish a methodology for rate setting for Adult Care Homes.

\$50,000 NR

\$0 NR

103 Child Advocacy Institute

Provides funding to support the activities of the Child Advocacy Institute.

\$250,000 R

\$250,000 R

104 "More At Four" Prekindergarten Pilot

Establishes the "More At Four" prekindergarten pilot program for at-risk four year olds.

\$6,456,500 R

\$6,456,500 R

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Conference Report on the Continuation, Capital, and Expansion Budget	FY 2001-02	FY 2002-03
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(17.0) Division of Vocational Rehabilitation

105 Independent Living	\$320,000	R	\$320,000	R
Provides additional funding for statewide case services needs.	\$680,000	NR	\$0	NR
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Total Legislative Changes	(\$77,433,183)	R	(\$81,624,341)	R
	\$2,935,733	NR	\$0	NR
Total Position Changes	-263.09		-263.09	
Revised Budget	\$3,397,233,193		\$3,643,680,118	
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**Department of Health and Human Services
Position Reductions**

<u>Division</u>	<u>Position</u>	<u>Position Numbers</u>
<u>Central Administration</u>		
	(2.0) Assistant Secretaries	4410-0105-0700-004 4410-0105-0800-054
	(1.0) Assistant Health Officer	4410-0105-2060-030
	(1.0) Asst. Director for Planning & Analysis	4410-0104-0003-501
	(1.0) Policy & Program Analyst	4410-0105-0700-003
	(1.0) Work Force Policy Analyst (Vacant)	4410-0105-3300-999
	(1.0) Administrative Assistant	4410-0105-0700-005
	(4.0) Intergovernmental Relations (1 Vacant)	4410-0105-3401-012 4410-0105-0900-045 4410-0105-0900-702 4410-0105-0900-085
	(12.0) HR - Support for Local Governments	
	(1.0) Personnel Supervisor II	4410-2121-0000-328
	(1.0) Personnel Supervisor I	4410-2122-0300-313
	(1.0) Personnel Supervisor I	4410-2122-0200-312
	(1.0) Personnel Analyst III	4410-2122-0200-327
	(1.0) Personnel Technician III	4410-2122-0200-338
	(1.0) Personnel Assistant IV	4410-2122-0200-376
	(1.0) Personnel Supervisor I	4410-2122-0100-315
	(1.0) Personnel Analyst III	4410-2122-0100-326
	(1.0) Personnel Technician III	4410-2122-0100-346
	(1.0) Personnel Assistant IV	4410-2122-0100-349
	(1.0) Personnel Supervisor I	4410-2122-0000-314
	(1.0) Personnel Technician III	4410-1420-1103-122
	(6.0) Strategic Planning Unit	
	(1.0) DHR Planning Officer II	4410-0104-0203-515
	(1.0) Administrative Assistant II	4410-0104-0000-517
	(1.0) Human Services Planner Evaluator IV	4410-0104-0203-520
	(3.0) Program Development Coordinator	4410-0104-0203-061 4410-0104-0203-526 4410-0104-0203-600
	(1.0) Administrative Support (Vacant)	4410-0105-3601-545
	(3.0) Property and Construction Office	
	(1.0) Business Officer I	4410-0104-0303-518
	(1.0) Fac. Architect II	4410-0104-0303-519
	(1.0) Building Syst. Eng. II	4410-0104-0303-520
	(8.0) Office of Communications	
	(1.0) Artist Illustrator II	4410-0106-0200-517
	(3.0) Processing Assistant II	4410-0106-0300-521 4410-0106-0300-521 4410-0106-0300-522
	(1.0) Printing Equipment Operator II	4410-0106-0155-031
	(1.0) Printing Equipment Operator II	4410-0106-0155-032
	(1.0) TV Media Svc. Coord 1	4410-0106-0300-518
	(1.0) Office Assistant III	4410-0106-0300-520
	(3.0) Human Resources	
	(1.0) Information & Comm. Specialist III	4410-2121-0000-305
	(1.0) Personnel Officer III	4463-0000-0028-000
	(1.0) Social Research Associate	4410-2121-0452-017
	(1.0) Information Sys. Liaison /Controller's Office	4410-0102-3503-339
Subtotal	45.0 Positions	

**Department of Health and Human Services
Position Reductions**

<u>Division</u>	<u>Position</u>	<u>Position Numbers</u>
<u>Division of Aging</u>		
	(1.0) Aging Program Specialist II	4411-1151-2101-030
Subtotal	1.0 Position	
<u>Division of Child Development</u>		
	(1.0) Deputy Director (Vacant)	4420-1123-0001-161
	(1.0) Policy Program Manager	4420-1172-0001-302
	(1.0) Planner/Evaluator II	4420-1172-0001-109
	(2.0) Policy/Planning Con. (One Vacant)	4420-1117-0001-251
		4420-1117-0001-108
	(1.0) Community Development Specialist	4420-1172-0001-376
	(1.0) Policy Unit Office Assistant III	4420-1172-0001-172
	(1.0) Consumer Outreach Sup. (Vacant)	4420-1162-0001-326
	(1.0) Administrative Officer	4420-1162-0001-422
	(1.0) Workforce Office Assistant	4420-1163-0001-532
	(1.0) Accounting Tech.	4420-1127-0000-233
	(1.0) Program Integrity Supervisor	4420-1140-0001-151
	(2.0) SS Program Coordinator (Vacant)	4420-1141-0001-153
		4420-1141-0001-1322
	(1.0) CDC Program Specialist (Vacant)	4420-1141-0001-1598
	(1.0) Chief, Workforce Section	4420-1160-0001-294
Subtotal	16.0 Positions	
<u>Division of Mental Health, Developmental Disabilities, & Substance Abuse Services</u>		
	(1.0) Assistant Division Director (Vacant)	4460-6000-0000-600
	(1.0) Hospital Services Section Chief	4460-7020-0000-712
	(1.0) Director Child Research/Grants	4460-1300-0001-300
	(1.0) Chief Pharmacy Services	4460-0020-0000-104
	(1.0) Clinical Director Child/Family Services	4460-6000-0000-604
	(1.0) Special Assistant to Director at Dix Hospital	4462-1000-0000-003
	(6.0) MR/MI Transition Unit	
		4460-4020-0000-420
		4460-1000-0001-005
		4460-1000-0001-009
		4460-7050-0000-721
		4460-4000-0000-435
		4460-7050-0000-717
	(16.5) Oakview Program (All Vacant)	
	(51.0) TBI Unit - Black Mountain (All Vacant)	
	Primary Care Systems Associate	4460-0000-2000-814
	Processing Asst. III	4460-0010-0000-124
	Staff Development Spec. III	4460-6010-2000-611
	Office Assistant III	4460-6010-3000-619
	Social Worker II	4460-6020-2000-614
	Mental Health Program Consultant	4460-8010-3000-809
	Lead Barber/Beautician	4462-2620-0003-924
	Willie M. Reg. Service Director	4460-6010-3000-618
	Mental Health Program Coordinator	4460-7040-0000-728
	Mental Health Program Manager II	4460-8010-0000-805
Subtotal	89.5 Positions	

**Department of Health and Human Services
Position Reductions**

<u>Division</u>	<u>Position</u>	<u>Position Numbers</u>
<u>Division of Medical Assistance</u>		
	(1.0) Administrative Officer III (Vacant)	4445-0000-0001-002
	(1.0) DMA Services Consultant	4445-0000-0006-410
	(1.0) DMA Nurse I	4445-0000-0009-180
	(2.0) Human Services Planner III	4445-0000-0009-312
		4445-0000-0009-252
	(2.0) DMA Services Consultant	4445-0000-0009-170
		4445-0000-0006-530
	(2.0) Human Services Planner II (All Vacant)	4445-0000-0001-115
		4445-0000-0009-195
	(1.0) Processing Assistant V (Vacant)	445-0000-0009-177
	(1.0) SS Program Administrator	4445-0000-006-420
	(1.0) Comp. Consult. II	4445-0000-009-145
Subtotal	12.0 Positions	
<u>Division of Facility Services</u>		
	(1.0) Assistant Director	4470-0000-0000-244
	(1.0) Facility Architectural Supervisor II (vacant)	4470-0000-0000-800
	(1.0) Business Officer II	4470-0000-0000-628
	(1.0) Assistant Policy Coordinator	4470-0000-0001-400
	(1.0) Health Systems Analyst	4470-0000-0000-245
	(1.0) Facility Survey Consultant	4470-0000-0001-475
Subtotal	6.0 Positions	
<u>Division of Services for the Blind</u>		
	(1.0) Office Assistant IV	4450-0115-7100-583
Subtotal	1.0 Position	
<u>Division of Deaf and Hard-of-Hearing</u>		
	(1.0) Community Development Specialist I	4451-2018-2500-065
Subtotal	1.0 Position	
<u>Division of Vocational Rehabilitative Services</u>		
	(1.0) VR Program Planning Director	4480-0121-0100-421
	(1.0) Rehab. Program Coordinator	4480-0221-0200-477
	(1.0) Assistant Director	4480-0221-0200-181
Subtotal	3.0 Positions	
<u>Division of Early Intervention and Education</u>		
	(1.0) Assistant Superintendent	4422-1811-1211-102
	(1.0) Early Intervention/Preschool Director	4429-1501-1211-001
	(1.0) Research & Professional Dev. Coord.	4422-1811-1251-139
	(1.0) Office Assistant IV	4422-1811-1211-113
	(1.0) Staff Development Coordinator	4422-1811-1211-107
	(1.0) Administrative Specialist	4422-1811-1211-118
	(1.0) HR Assistant Manager	4422-1822-1211-116

**Department of Health and Human Services
Position Reductions**

<u>Division</u>	<u>Position</u>	<u>Position Numbers</u>
	(1.0) Office Assistant	4422-1811-1211-132
	(1.0) Employee Relations Specialist	4422-1811-1211-121
	(14.0) Audiologists (8 Vacant)	4432-5254-0032-448
		4432-5258-0032-452
		4432-5259-0032-453
		4432-5260-0032-455
		4432-5261-0032-456
		4432-5262-0032-458
		4432-5263-0032-459
		4432-5264-0032-460
		4432-5252-0032-445
		4432-5252-0032-446
		4432-5254-0032-447
		4432-5257-0032-450
		4432-5257-0032-451
		1132-5255-0032-449
	(23.0) Preschool Positions (4 vacant)	
	Lead Teacher	4429-1516-1251-017
	Teacher	4429-1516-1251-011
	EDA II	4429-1516-1211-020
	Teacher	4429-1516-1251-014
	EDA II	4429-1516-1211-023
	EDA II	4429-1516-1211-024
	Teacher	4429-1526-1251-006
	Teacher	4429-1526-1251-007
	EDA II	4429-1526-1211-038
	Teacher	4429-1526-1251-014
	EDA II	4425-1231-1211-914
	Teacher	4429-1526-1251-022
	EDA II	4429-1523-1211-024
	Teacher	4429-1526-1251-021
	EDA II	4429-1526-1211-031
	Teacher	4429-1526-1251-020
	EDA II	4425-1231-1210-919
	Teacher	4429-1526-1251-016
	EDA II	4429-1526-1211-025
	Teacher	4429-1536-1251-010
	EDA II	4429-1536-1211-016
	EDA II	4429-1526-1211-029
	EDA II	4429-1526-1211-039
	EDA II	4429-1536-1211-017
	Staff Dev. Spec. II	4424-1111-1210-320
	School Psychologist	4425-1221-1290-883
	Teacher	4424-1121-1290-532
		4424-1126-1290-481
		4425-1221-1290-814
		4425-1221-1290-823
		4425-1221-1290-837
	Lead Teacher	4425-1221-1290-928
	Residential Life Attendant	4427-1408-0027-581
	Residential Life Trainer	4427-1408-0027-588
Subtotal	56.0 Positions	

Division of Public Health

(1.0) Deputy Director	
(1.0) Assistant Section Chief for Human Ecology and Epidemiology	4431-0000-0019-551
(1.0) Special Assistant to Health Director	4431-0000-0022-600

**Department of Health and Human Services
Position Reductions**

<u>Division</u>	<u>Position</u>	<u>Position Numbers</u>
	(1.0) Scientific Advisor Health Director	4431-0000-0019-853
	(1.0) Physician Epidemiologist - Mental Health	4431-0000-0019-854
	(1.0) Architect/Local Health Services	4431-0000-0050-403
	(7.59) Public Health Administration (all Vacant)	
	(1.0) Processing Assistant IV	4431-0000-0022-609
	(1.0) Processing Assistant III	4431-0000-0019-578
	(1.0) Office Assistant III	4431-0000-0018-004
	(1.0) Office Assistant III	4431-0000-0022-009
	(1.0) Stock Clerk	4431-0000-0021-113
	(.59) Human Services Planner/Evaluator IV	4431-0000-0021-228
	(1.0) Statistician I	4431-0000-0025-068
	(1.0) Statistical Research Assistant III	4431-0000-0025-049
	(1.0) PH Program Consultant I	4431-0000-0022-028
	(1.0) PH Educator II	4431-0000-0018-041
Subtotal	15.59 Positions	
<u>Division of Social Services</u>		
	(1.0) Program Integrity Branch Head	4440-0000-0042-300
	(1.0) Local Support Branch Head	4440-0000-0043-002
	(1.0) Economic Independence Serv. Branch Head	4440-0000-0042-000
	(1.0) Program Development Coord. (Vacant)	4440-0000-0010-008
	(1.0) Program Development Branch Head	4440-0000-0042-002
	(1.0) Child Support Consultant	4440-0000-0080-125
	(1.0) Regional Program Representative	4440-0000-0080-157
	(1.0) Local Support Section Chief (Vacant)	4440-0000-0040-000
	(1.0) Administrative Secretary III (Vacant)	4440-0000-0050-004
	(10.0) Local Support Managers	4440-0000-0051-002
		4440-0000-0051-057
		4440-0000-0052-002
		4440-0000-0052-030
		4440-0000-0052-036
		4440-0000-0053-002
		4440-0000-0054-041
		4440-0000-0054-042
		4440-0000-0053-030
		4440-0000-0054-002
	(7.0) Regional Administrative Support	
	(3.0) Office Assistant III	4440-0000-0051-007
		4440-0000-0053-009
		4440-0000-0054-005
	(4.0) Administrative Secretary III	4440-0000-0051-009
		4440-0000-0052-004
		4440-0000-0053-005
		4440-0000-0054-009
	(1.0) Resource & Information Management Section Chief	4440-0000-0050-002
	SS Program Cons. II	4440-0000-0040-208
Subtotal	28.0 positions	
Grand Total	273.09	

**NATURAL
&
ECONOMIC
RESOURCES
Section H**

Housing Finance Agency

GENERAL FUND		
	FY 2001-02	FY 2002-03
Recommended Budget	\$5,300,000	\$5,300,000
Legislative Changes		
Housing Finance Agency		
1 No Continuation Budget Adjustments		
Total Legislative Changes		
Total Position Changes		
Revised Budget	\$5,300,000	\$5,300,000

Agriculture and Consumer Services

		GENERAL FUND	
		FY 2001-02	FY 2002-03
Recommended Budget		\$56,695,276	\$56,695,276
Legislative Changes			
Administration/Public Affairs			
2 Eliminate Vacant Positions	(\$89,329) R	(\$89,329) R	
Eliminate positions and reduce operating support.	-2.00	-2.00	
Administrative Secretary III	(\$40,351)		
Information and Communication Specialist II	(\$41,978)		
Operating Support	(\$ 7,000)		
3 Reduce Line Items	(\$15,097) R	(\$15,097) R	
Reduce various operating line items within Administration and Public Affairs.			
4 Reduce Ag in the Classroom	(\$6,250) R	(\$6,250) R	
Reduce grant-in-aid to the NC Farm Bureau for the Ag in the Classroom program.			
5 Create Gasoline/Natural Gas Reserve	\$100,000 R	\$100,000 R	
Provides funds to be placed in a reserve and allocated to divisions for gasoline and natural gas needs.			
6 Create Laboratory Reserve	\$150,000 R	\$150,000 R	
Establish reserve for laboratory equipment to be allocated to divisions on a priority needs basis.			
Agricultural Finance Authority			
7 Reduce Line Items	(\$28,566) R	(\$28,566) R	
Reduce operating support to the Agricultural Finance Authority.			
Agricultural Statistics			
8 Eliminate Vacant Positions	(\$61,704) R	(\$61,704) R	
Eliminate positions and reduce operating support.	-2.00	-2.00	
Data Entry Supervisor I	(\$25,331)		
Statistical Assistant IV	(\$29,373)		
Operating Support	(\$ 7,000)		
Agonomic Services			
9 Reduce Scientific Supplies	(\$6,850) R	(\$6,850) R	
Reduce scientific supplies line item.			

Conference Report on the Continuation, Capital, and Expansion Budget	FY 2001-02		FY 2002-03	
10 Increase Receipts	(\$41,800)	R	(\$41,800)	R
Budget increased receipts and reduce the General Fund appropriation by an equal amount.				
11 Eliminate Vacant Position	(\$37,911)	R	(\$37,911)	R
Eliminate Data Entry Operator II position and reduce \$3,500 in operating support.	-1.00		-1.00	
Aquaculture and Natural Resources				
12 Reduce Line Items	(\$5,550)	R	(\$5,550)	R
Reduce various operating line items within Aquaculture and Natural Resources.				
Commissioner's Office				
13 Farmland Preservation Trust Fund	\$200,000	NR		
Provides funds for the Farmland Preservation Trust Fund.				
Food and Drug Protection				
14 Increase Receipts	(\$22,000)	R	(\$22,000)	R
Budget increased receipts and reduce the General Fund appropriation by an equal amount.				
15 Reduce Line Items	(\$101,066)	R	(\$101,066)	R
Reduce various operating line items within the Division.				
16 Eliminate Vacant Positions	(\$152,969)	R	(\$152,969)	R
Eliminate vacant positions and reduce operating support.	-4.00		-4.00	
Technical Trainer II (\$37,688)				
Pesticide Specialist I (\$36,904)				
Processing Assistant III (\$30,855)				
Chemistry Technician I (\$33,522)				
Operating Support (\$14,000)				
Food Distribution				
17 Reduce Line Item	(\$29,000)	R	(\$29,000)	R
Reduce trailers line item.				
Marketing				
18 Eliminate Positions	(\$114,753)	R	(\$114,753)	R
Eliminate positions and reduce operating support.	-3.00		-3.00	
Maintenance Mechanic I (\$27,857)				
Int'l. Marketing Specialist II (\$53,861)				
General Utility Worker (\$22,535)				
Operating Support (\$10,500)				

Conference Report on the Continuation, Capital, and Expansion Budget

FY 2001-02

FY 2002-03

19 Increase Receipts

(\$124,300) R (\$124,300) R

Budget increased receipts and reduce the General Fund appropriation by an equal amount.

20 Eliminate Vacant Positions

(\$109,061) R (\$109,061) R

Eliminate vacant positions and reduce operating support.

-2.00 -2.00

Facility Agric. Engineer II (\$77,140)
Office Assistant III (\$24,921)
Operating Support (\$ 7,000)

21 Reduce Raleigh Farmers' Market Transfer

(\$80,000) R (\$80,000) R

Reduce General Fund transfer to the Raleigh Farmers' Market.

22 Reduce Western NC Ag Center/Mountain State Fair

(\$20,000) R (\$20,000) R

Reduce General Fund transfer to the Western NC Agricultural Center/Mountain State Fair Enterprise Fund.

23 Reduce Western NC Development Association

(\$5,000) R (\$5,000) R

Reduce grant-in-aid to the Western North Carolina Development Association.

Plant Industry**24 Eliminate Vacant Positions**

(\$114,188) R (\$114,188) R

Eliminate positions and reduce operating support.

-3.50 -3.50

Ag Research Technician I (0.50 FTE) (\$13,340)
Chemistry Technician II (\$31,567)
Processing Assistant II (\$29,462)
Office Assistant III (\$27,569)
Operating Support (\$12,250)

25 Reduce Line Items

(\$64,485) R (\$64,485) R

Reduce various line items in the Division.

26 Increase Gypsy Moth Control Funds

\$50,000 R \$50,000 R

Provides funds to supplement federal funds for the department's program to control the spread of the gypsy moth.

Research Stations/State Farms**27 Eliminate Vacant Positions**

(\$126,016) R (\$126,016) R

Eliminate vacant positions and reduce operating support.

-4.00 -4.00

Agricultural Research Assistant I (\$30,425)
Agricultural Research Assistant I (\$23,387)
Agricultural Research Assistant (\$22,980)
Maintenance Mechanic IV (\$35,224)
Operating Support (\$14,000)

28 Reduce Vehicles

(\$122,500) R (\$122,500) R

Reduce other motorized vehicles line item.

Conference Report on the Continuation, Capital, and Expansion Budget	FY 2001-02		FY 2002-03	
Standards				
29 Eliminate Vacant Positions	(\$79,754)	R	(\$79,754)	R
Eliminate vacant positions and reduce operating support.				
	-2.00		-2.00	
Standards Inspector II (\$32,403)				
Standards Inspector I (\$40,351)				
Operating Support (\$ 7,000)				
30 Reduce Line Items	(\$18,000)	R	(\$18,000)	R
Reduce various operating line items within the Division.				
Structural Pest				
31 Reduce Line Items	(\$2,140)	R	(\$2,140)	R
Reduce various line items within the Division.				
32 Increase Receipts	(\$7,160)	R	(\$7,160)	R
Budget increased receipts and reduce the General Fund appropriation by an equal amount.				
Veterinary Services				
33 Eliminate Positions	(\$141,863)	R	(\$141,863)	R
Eliminate positions and reduce operating support.				
	-3.00		-3.00	
Veterinarian (\$84,442)				
Vet Laboratory Assistant I (\$23,851)				
Vet Laboratory Assistant I (\$23,070)				
Operating Support (\$10,500)				
34 Meat and Poultry Inspection	(\$96,464)	R	(\$96,464)	R
Eliminate vacant Meat and Poultry Inspector positions, associated receipts, and operating support.				
	-5.00		-5.00	
Meat and Poultry Inspectors (5.00 FTE) (\$78,964)				
and Associated Receipts				
Operating Support (\$17,500)				
35 Reduce Scientific Supplies	(\$3,460)	R	(\$3,460)	R
Reduce scientific supplies line item.				
<hr/>				
Total Legislative Changes	(\$1,527,236)	R	(\$1,527,236)	R
	\$200,000	NR		
Total Position Changes	-31.50		-31.50	
Revised Budget	\$55,368,040		\$55,168,040	
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Conference Report on the Continuation, Capital, and Expansion Budget

Labor

		GENERAL FUND	
		FY 2001-02	FY 2002-03
Recommended Budget		\$16,617,178	\$16,617,178
Legislative Changes			
Administrative Programs			
36 Eliminate Vacant Position	(\$86,766) R	(\$86,766) R	
Eliminate vacant positions and reduce operating support.			
	-2.00	-2.00	
Labor Conciliator (\$53,110)			
Data Entry Operator II (\$26,656)			
Operating Support (\$7,000)			
37 Reduce Operating Support	(\$50,563) R	(\$50,563) R	
Reduce funding for furniture, equipment, software, library resources, and overtime pay.			
38 Budget Indirect Cost Receipts	(\$93,961) R	(\$93,961) R	
Budget over-realized indirect cost receipts and reduce General Fund appropriation by an equal amount.			
Apprenticeship & Training			
39 Eliminate Vacant Position	(\$40,404) R	(\$40,404) R	
Eliminate vacant Apprenticeship Representative position and reduce \$3,500 in operating support.			
	-1.00	-1.00	
40 Reduce Operating Support	(\$15,310) R	(\$15,310) R	
Reduce funding for furniture, equipment, computer services, and library resources.			
Department Wide			
41 Reduce Operating Support	(\$75,000) R	(\$75,000) R	
Reduce operating support throughout the Department.			
Elevator & Amusement Inspections			
42 Budget Increased Receipts	(\$400,000) R	(\$800,000) R	
Budget increased elevator & amusement device inspection and certification fee receipts and reduce General Fund appropriations by an equal amount.			
43 Reduce Operating Support	(\$21,203) R	(\$21,203) R	
Reduce funding for furniture, equipment, software, and library resources.			

Labor Standards**44 Reduce Operating Support**

(\$18,990)	R	(\$18,990)	R
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Reduce funding for furniture, equipment, software, and library resources.

Mine/Quarry Inspection**45 Eliminate Vacant Position**

(\$34,018)	R	(\$34,018)	R
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Eliminate vacant Processing Assistant III position and reduce \$3,500 in operating support.

-1.00	-1.00
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46 Reduce Operating Support

(\$13,086)	R	(\$13,086)	R
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Reduce funding for furniture, equipment, software, and library resources.

OSHA**47 Reduce Operating Support**

(\$35,887)	R	(\$35,887)	R
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Reduce funding for furniture, equipment, and library resources.

48 Eliminate Vacant Positions

(\$71,632)	R	(\$71,632)	R
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Eliminate vacant positions and reduce operating support.

-1.50	-1.50
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Safety Officer	(\$41,942)
Safety Officer (0.50 FTE)	(\$24,440)
Operating Support	(\$5,250)

49 Shift Positions to Federal Funding

(\$167,452)	R	(\$167,452)	R
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Shift funding source for positions from General Fund to federal funds and reduce operating support.

-4.00	-4.00
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Office Assistant III	(\$26,339)
Processing Assistant III	(\$26,794)
Industrial Health Inspector	(\$49,909)
Industrial Health Inspector	(\$50,410)
Operating Support	(\$14,000)

50 Restore Safety Officer Position

\$25,000	R	\$25,000	R
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Restore funding for General Fund half of Safety Officer position. Other half of position is federally funded.

0.50	0.50
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Total Legislative Changes

(\$1,099,272)	R	(\$1,499,272)	R
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Total Position Changes

-9.00	-9.00
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Revised Budget

\$15,517,906	\$15,117,906
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Environment & Natural Resources

		GENERAL FUND	
		FY 2001-02	FY 2002-03
Recommended Budget		\$164,902,678	\$164,902,678
Legislative Changes			
(1.00) Administration			
51 Abolish Deputy Secretary of Operations Position	(\$46,324) R	(\$46,324) R	
Abolish Deputy Secretary of Operations position.	-1.00	-1.00	
52 Eliminate Vacant Positions	(\$172,156) R	(\$172,156) R	
Eliminate vacant positions within Administration.	-4.00	-4.00	
Safety Director II (\$58,212)			
EHNHR Personnel Officer (0.50 FTE) (\$41,609)			
Accounting Clerk IV (\$14,714)			
Office Assistant III (\$24,921)			
Applications Analyst Prog. I (0.50 FTE) (\$32,700)			
53 Eliminate Position in Regional Office	(\$26,122) R	(\$26,122) R	
Eliminate Office Assistant III position.	-1.00	-1.00	
54 Eliminate Positions	(\$45,000) R	(\$45,000) R	
Eliminate 2 Administrative Assistant positions.	-2.00	-2.00	
(2.00) Aquariums			
55 Increase Receipts	(\$500,000) R	(\$500,000) R	
Budget increased receipts and reduce General Fund appropriation by an equal amount.			
56 Eliminate Positions	(\$81,037) R	(\$81,037) R	
Eliminate two vacant positions and one filled position and reduce operating support.	-3.00	-3.00	
General Utility Worker (\$22,145)			
General Utility Worker (\$22,145)			
Office Assistant III (\$26,247)			
Operating Support (\$10,500)			
(2.00) Forest Resources			
57 Eliminate Vacant Positions	(\$153,887) R	(\$153,887) R	
Eliminate vacant positions and reduce operating support.	-3.00	-3.00	
Forestry Pilot II (\$51,896)			
Exten.Education and Training Specialist I (\$47,803)			
Administrative Assistant I (\$43,688)			
Operating Support (\$10,500)			

Conference Report on the Continuation, Capital, and Expansion Budget	FY 2001-02		FY 2002-03	
58 Reduce Forest Development Program	(\$100,000)	R	(\$100,000)	R
Reduce General Fund appropriation to the Forest Development Program.				
59 Increase Aircraft Lease Line Item	\$150,000	R	\$150,000	R
Provides additional funds to lease a CL-215 during fire season.				
(2.00) Marine Fisheries				
60 Eliminate Vacant Positions	(\$206,928)	R	(\$206,928)	R
Eliminate vacant positions and reduce operating support.				
	-6.00		-6.00	
Marine Fisheries Officers III(2 FTEs)	(\$70,968)			
Medical Lab Technician I	(\$28,260)			
Information & Communications Specialist	(\$27,056)			
Data Entry Operator	(\$20,819)			
Submerged Lands Program Director	(\$38,825)			
Operating Support	(\$21,000)			
(2.00) Museum of Natural Sciences				
61 Eliminate Vacant Position	(\$40,655)	R	(\$40,655)	R
Eliminate vacant Accounting Clerk IV position and reduce \$3,500 in operating support.				
	-1.00		-1.00	
62 Reduce Grassroots Science Museums	(\$300,000)	R	(\$300,000)	R
Reduce funding for the Grassroots Science Museums.				
63 Increase Funds for Temporary Staff	\$40,000	R	\$40,000	R
Provides funds for the Museum to contract for temporary services.				
(2.00) NC Zoological Park				
64 Eliminate Vacant Positions	(\$190,722)	R	(\$190,722)	R
Eliminate vacant positions and reduce operating support.				
	-5.50		-5.50	
Maintenance Mechanic II	(\$28,768)			
Housekeeper	(\$12,126)			
Info & Communications Specialist	(\$39,307)			
Grounds Worker	(\$23,238)			
Administrative Assistant II	(\$37,898)			
Cashier I	(\$28,385)			
Operating Support	(\$21,000)			
65 Increase Receipts	(\$600,000)	R	(\$600,000)	R
Budget increased receipts due to recent fee increase at the Zoo and reduce General Fund appropriations by an equal amount.				
(2.00) Office of Environmental Education				
66 Eliminate Vacant Position	(\$51,952)	R	(\$51,952)	R
Eliminate vacant Educational Development Consultant position and reduce \$3,500 in operating support.				
	-1.00		-1.00	

(2.00) Parks and Recreation**67 Eliminate Vacant Positions**

(\$180,628)	R	(\$180,628)	R
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Eliminate vacant positions and reduce operating support.

-5.00		-5.00	
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Accounting Clerk III	(\$25,590)
Volunteer Services Coordinator	(\$39,634)
Park Ranger II	(\$35,582)
Park Ranger II	(\$31,702)
Park Ranger II	(\$30,620)
Operating Support	(\$17,500)

(2.00) Soil and Water Conservation**68 Eliminate Vacant Position**

(\$33,297)	R	(\$33,297)	R
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Eliminate vacant Processing Assistant IV position and reduce \$3,500 in operating support.

-1.00		-1.00	
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69 Shift Position to Receipt Support

(\$13,499)	R	(\$13,499)	R
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Shift funding for a Computer Consultant III position (0.19 FTE) and reduce \$665 in operating support.

-0.19		-0.19	
-------	--	-------	--

70 Decrease Agriculture Cost Share Financial Asst.

(\$1,000,000)	R	(\$1,000,000)	R
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Reduce funds for the Agriculture Cost Share Program for Nonpoint Source Pollution Control to reimburse farmers up to 75% of the costs of installing best management practices (BMPs) to improve and protect water quality.

(3.00) Air Quality**71 Shift Position to Receipt Support**

(\$33,031)	R	(\$33,031)	R
------------	---	------------	---

Shift funding for an Environmental Technician II to receipt support and reduce \$3,500 in operating support.

-1.00		-1.00	
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(3.00) Coastal Management**72 Shift Position to Receipt Support**

(\$32,158)	R	(\$32,158)	R
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Shift funding for an Office Assistant III position to receipt support and reduce \$3,500 in operating support.

-1.00		-1.00	
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73 Eliminate Position

(\$34,671)	R	(\$34,671)	R
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Eliminate Personnel Assistant V position and reduce \$3,500 in operating support.

-1.00		-1.00	
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(3.00) Environmental Health**74 Eliminate Vacant Positions**

(\$88,675)	R	(\$88,675)	R
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Eliminate vacant positions and reduce operating support.

-2.00		-2.00	
-------	--	-------	--

Environmental Engineer II	(\$55,445)
Word Processor III	(\$26,230)
Operating Support	(\$ 7,000)

75 Shift Position to Receipt Support

(\$11,351)	R	(\$11,351)	R
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Shift funding for a Processing Assistant IV to receipt support and reduce \$1,225 in operating support.

-0.35		-0.35	
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76 West Nile Virus Monitoring

Funds for monitoring of sentinel flock for indication of West Nile Virus.

\$100,000 NR

77 Environmental Health Specialist Training

Additional funds for training and continued education to local environmental health specialists to improve the consistency of implementation and enforcement of rules.

\$75,000 R \$75,000 R

(3.00) Land Resources**78 Eliminate Vacant Positions**

Eliminate vacant positions and reduce operating support.

(\$81,707) R (\$81,707) R

-2.00 -2.00

Environmental Engineer I (\$40,709)

Environmental Technician V (\$33,998)

Operating Support (\$ 7,000)

79 Shift Position to Receipt Support

Shift funding for a Geologist III position to receipt support and reduce \$3,500 in operating support.

(\$67,610) R (\$67,610) R

-1.00 -1.00

80 Transfer Geodetic Survey from OSBPM

Transfers from OSBPM the responsibilities and staff of the Geodetic Survey section within the Surveying and Mapping Section to Land Resources. Two of the 22 positions being transferred are receipt supported. This transfer has all the elements of a Type I transfer as defined in G.S. 143A-6.

\$1,035,096 R \$1,035,096 R

22.00 22.00

81 Transfer County Boundaries from OSBPM

Transfers from OSBPM the responsibilities and staff of the County Boundaries unit within the Surveying and Mapping Section to Land Resources. This transfer has all the elements of a Type I transfer as defined in G.S. 143A-6.

\$152,749 R \$152,749 R

1.00 1.00

82 Transfer CGIA from OSBPM

Transfers from OSBPM the Center for Geographic Information and Analysis (CGIA) to Land Resources. CGIA is a receipt-supported agency with a budget of \$1,758,906 and 25 positions, which is in budget code 23006, fund 2510. This transfer has all the elements of a Type I transfer as defined in G.S. 143A-6.

\$0 R \$0 R

0.00 0.00

(3.00) Pollution Prevention/Environmental Asst.**83 Eliminate Vacant Position**

Eliminate Office Assistant IV and reduce \$3,500 in operating support.

(\$31,981) R (\$31,981) R

-1.00 -1.00

(3.00) Radiation Protection**84 Eliminate Position**

Eliminate Radiological Health Specialist position and reduce \$3,500 in operating support.

(\$40,190) R (\$40,190) R

-1.00 -1.00

Conference Report on the Continuation, Capital, and Expansion Budget	FY 2001-02		FY 2002-03	
85 Eliminate Vacant Position	(\$40,454)	R	(\$40,454)	R
Eliminate Administrative Assistant I position and reduce \$3,500 in operating support.	-1.00		-1.00	
(3.00) Waste Management				
86 Eliminate Vacant Positions	(\$102,359)	R	(\$102,359)	R
Eliminate vacant positions and reduce operating support.	-3.00		-3.00	
Administrative Secretary I (\$35,135)				
Environmental Technician II (\$27,056)				
Environmental Technician III (\$29,668)				
Operating Support (\$10,500)				
(3.00) Water Quality				
87 Eliminate Vacant Positions	(\$329,859)	R	(\$329,859)	R
Eliminate vacant positions and reduce operating support.	-7.00		-7.00	
Chemistry Technician II (\$38,770)				
Community Development Planner (\$55,936)				
Personnel Assistant III (\$25,556)				
Environmental Modeler II (\$47,956)				
Environmental Engineer I (\$43,934)				
Environmental Engineer I (\$43,934)				
Applications Analyst Programmer II (\$49,273)				
Operating Support (\$24,500)				
88 River Basin Modeling	\$75,000	NR		
Additional funds for modeling activities related to river basin planning.				
(3.00) Water Resources				
89 Eliminate Vacant Position	(\$53,692)	R	(\$53,692)	R
Eliminate Environmental Engineer II position and reduce \$3,500 in operating support.	-1.00		-1.00	
90 Central Coastal Plain Capacity Use Area Planning	\$20,000	R	\$20,000	R
Funds for planning for alternative water sources in the Central Coastal Plain Capacity Use Area.				
(4.00) Department Wide				
91 Implement Lease-Purchase Arrangement	(\$2,873,500)	R	(\$2,873,500)	R
Implement lease-purchase arrangement for the purchase of major equipment for the following divisions:				
Forest Resources - Aircraft (\$1,793,096)				
Forest Resources - Autos, Trucks & Buses (\$431,151)				
Parks & Recreation - Autos, Trucks & Buses (\$574,925)				
Water Quality - Scientific Equipment (\$ 74,328)				
92 Reduce Salary Reserve	(\$61,378)	R	(\$61,378)	R
Reduce salary reserve throughout the Department.				

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93 Reduce Operating Support	(\$28,000)	R	(\$28,000)	R
Reduce operating support throughout the Department.				
94 Create Reserve for Information Technology	\$40,000	NR		
Places funds in a reserve to support information technology needs throughout the Department.				
(5.00) Reserves and Special Funds				
95 Rivernet Water Quality Monitoring & Research Funds	(\$35,000)	R	(\$35,000)	R
Reduce funds for the Rivernet Water Quality Monitoring project by \$15,000 and for the Water Quality Workgroup by \$20,000.				
96 Resource Conservation and Development Councils	\$135,000	NR		
Provides each of the state's nine Resource Conservation and Development Councils with a \$15,000 grant.				
97 Reserve for Position - Environmental Health	\$35,000	R	\$35,000	R
Places funds in a reserve for salary and operating support for a part-time Regional Environmental Health Specialist in the Division of Environmental Health. Funding is contingent upon the passage of HB635, Regulate Body Piercing.	0.50		0.50	
Total Legislative Changes	(\$6,179,978)	R	(\$6,179,978)	R
	\$350,000	NR		
Total Position Changes	-32.54		-32.54	
Revised Budget	\$159,072,700		\$158,722,700	

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Environment & Natural Resources - Clean Water Management Trust Fund

GENERAL FUND

	FY 2001-02		FY 2002-03	
Recommended Budget	\$30,000,000		\$30,000,000	
<hr/>				
Legislative Changes				
Clean Water Management Trust Fund				
98 Clean Water Management Trust Fund	\$10,000,000	R	\$40,000,000	R
Increase funds for the Clean Water Management Trust Fund in accordance with G.S. 143-15.3B(a).				
<hr/>				
Total Legislative Changes	\$10,000,000	R	\$40,000,000	R
Total Position Changes				
Revised Budget	\$40,000,000		\$70,000,000	

Commerce

		GENERAL FUND	
		FY 2001-02	FY 2002-03
Recommended Budget		\$45,027,007	\$45,027,007
Legislative Changes			
Business & Industry			
99 Eliminate Vacant Position	(\$52,772) R	(\$52,772) R	
Eliminate vacant Industrial Development Representative II position and reduce \$3,500 in operating support.	-1.00	-1.00	
100 Create Developer Positions	\$120,000 R	\$120,000 R	
Provides funds for new Economic Developer positions and operating support.	2.00	2.00	
Center for Entrepreneurship & Technology			
101 Abolish Center for Entrepreneurship & Technology	(\$624,856) R	(\$624,856) R	
Abolish Center for Entrepreneurship & Technology by eliminating positions, operating support, and Reserve for New and Emerging Industries.	-4.00	-4.00	
Executive Director	(\$101,562)		
Economic Developer	(\$77,451)		
Economic Developer	(\$80,372)		
Administrative Assistant III	(\$45,954)		
Operating Support	(\$119,517)		
Reserve for New & Emerging Ind	(\$200,000)		
Commerce Finance Center			
102 Industrial Recruitment Competitive Fund	\$15,000,000 NR		
Continues support for the Industrial Recruitment Competitive Fund.			
Community Assistance			
103 Reduce Funding for Councils of Government	(\$55,000) R	(\$55,000) R	
Reduce funding for the Councils of Government (COGs) due to the closing of the Region H COG.			

Department Wide**104 Transfer from OSBPM - State Data Center**

\$0 R

\$0 R

Transfers a Statistician II position currently housed in the State Data Center within the State Planning Section of OSBPM to the Employment Security Commission. This position is responsible for analyzing the employment activity data captured in the common follow-up information management system. The salary (\$45,077) and benefits (\$9,315) for this position are currently funded by a transfer from the Worker Training Trust Fund in the Department of Commerce.

105 Transfer Board of Science and Technology

\$371,302 R

\$371,302 R

Transfers the Board of Science and Technology, including 3 positions (Executive Director, Administrative Secretary III, and Education Consultant), to the Department of Commerce. Special provision recodifies the statutory authority of the Board as established in Part 27 of Article 9 of Chapter 143B of the General Statutes to Part 18 of Article 10 of Chapter 143B of the General Statutes.

3.00

3.00

Industrial Commission**106 Reduce Operating Support**

(\$44,061) R

(\$44,061) R

Reduce operating line items.

107 Eliminate Position

(\$40,435) R

(\$40,435) R

Eliminate Processing Assistant IV position and reduce \$3,500 in operating support.

-1.00

-1.00

108 Eliminate Vacant Positions

(\$88,895) R

(\$88,895) R

Eliminate vacant positions and reduce operating support.

-2.75

-2.75

Processing Assistant III	(\$27,672)
Data Control Clerk III	(\$26,360)
Processing Assistant III (.50 FTE)	(\$18,211)
Computer Support Tech (.25 FTE)	(\$7,027)
Operating Support	(\$9,625)

109 Reduce Salary Reserve

(\$2,698) R

(\$2,698) R

Reduce salary reserve for Applications Analyst Programmer position.

International Trade**110 Research Triangle International Visitors Center**

(\$1,000) R

(\$1,000) R

Reduce general operating budget by 5%.

Marketing**111 Reduce Advertising**

(\$200,000) R

(\$200,000) R

Reduce advertising line item.

Tourism, Film and Sports Development

112 Eliminate Vacant Position	(\$47,354)	R	(\$47,354)	R
Eliminate Information & Communication Specialist II position and reduce \$3,500 in operating support.	-1.00		-1.00	
113 Reduce Welcome Center Positions	(\$50,415)	R	(\$50,415)	R
Reduce selected positions in Welcome Centers from 40 to 30 hours per week and reduce operating support.	-2.00		-2.00	
General Utility Worker (0.25 FTE)	(\$5,031)			
General Utility Worker (0.25 FTE)	(\$5,322)			
General Utility Worker (0.25 FTE)	(\$5,656)			
General Utility Worker (0.25 FTE)	(\$5,031)			
General Utility Worker (0.25 FTE)	(\$5,734)			
General Utility Worker (0.25 FTE)	(\$5,663)			
General Utility Worker (0.25 FTE)	(\$5,656)			
General Utility Worker (0.25 FTE)	(\$5,322)			
Operating Support	(\$7,000)			
114 Reduce Printing	(\$150,000)	R	(\$150,000)	R
Reduce printing line-item.				
115 Eliminate Advertising Reserve	(\$75,000)	R	(\$75,000)	R
Eliminate advertising reserve.				
116 Operating Support	\$180,000	R	\$180,000	R
Additional funds for operating support.				
117 Expand Heritage Tourism	\$50,000	R	\$50,000	R
Funds for a position and operating support at one new heritage tourism site in Winston-Salem.	1.00		1.00	
Wanchese Seafood Industrial Park				
118 Eliminate Vacant Position	(\$35,449)	R	(\$35,449)	R
Eliminate vacant Processing Assistant position and reduce \$3,500 in operating support.	-1.00		-1.00	
Total Legislative Changes	(\$746,633)	R	(\$746,633)	R
	\$15,000,000	NR		
Total Position Changes	-6.75		-6.75	
Revised Budget	\$59,280,374		\$44,280,374	

Commerce - State Aid

GENERAL FUND

	FY 2001-02	FY 2002-03
Recommended Budget	\$5,200,000	\$5,200,000
Legislative Changes		
Grants-in-Aid		
119 NC Minority Support Center		
Provides \$75,000 to expand the Latino Community Credit Union to Wake County and \$50,000 for a new credit union in Sampson County.	\$125,000	NR
120 Yadkin Pee Dee Lakes		
Provides funds for the Yadkin Pee Dee Lakes Project.	\$100,000	NR
121 Technological Development Authority		
Provides funds to the N.C. Technological Development Authority for entrepreneurial support and infrastructure, including creating new business incubators, enhancing existing incubators, developing capital formation initiatives, and supporting research commercialization programs.	\$1,600,000	NR
122 World Trade Center North Carolina		
Provides funds to the World Trade Center North Carolina to support international trade education programs for small and medium-sized businesses.	\$100,000	NR
Total Legislative Changes	\$1,925,000	NR
Total Position Changes		
Revised Budget	\$7,125,000	\$5,200,000

N.C. Biotechnology Center

GENERAL FUND

	FY 2001-02		FY 2002-03	
Recommended Budget	\$6,738,913		\$6,738,913	
Legislative Changes				
NC Biotechnology Center				
123 Reduce Administrative Support/HMU Transfer	(\$100,000)	R	(\$100,000)	R
The Biotechnology Initiative for Historically Minority Universities (HMU) has been transferred at the Governor's direction to the UNC Board of Governors effective FY 2001-02. Administrative support that had been provided to the Biotechnology Center will not be required by the UNC Board of Governors and is therefore reduced.				
124 Reduce General Operating Budget	(\$368,445)	R	(\$368,445)	R
Reduce general operating budget.				
125 Reduce Cash Balance	(\$1,000,000)	NR		
Reduce the N.C. Biotechnology Center's General Fund appropriation for FY 2001-02 and replace the funds with a one-time transfer from the Center's cash balance.				
Total Legislative Changes	(\$468,445)	R	(\$468,445)	R
	(\$1,000,000)	NR		
Total Position Changes				
Revised Budget	\$5,270,468		\$6,270,468	

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Rural Economic Development Center

GENERAL FUND

	FY 2001-02		FY 2002-03	
Recommended Budget	\$4,257,338		\$4,257,338	
Legislative Changes				
Administration				
126 General Administration	\$100,000	R	\$100,000	R
Provides additional funds for general oversight and management of Rural Center programs.				
Cash Balances				
127 Reduce Cash Balances	(\$999,694)	NR		
Reduce the Rural Center's General Fund appropriation for FY 2001-02 and replace the funds with one-time transfers from the Child Care Loan Program (\$499,694) and from the Center's other cash reserves (\$500,000), thereby reducing the Center's overall cash balances.				
Center-Wide				
128 Reduce Operating Support	(\$186,867)	R	(\$186,867)	R
Reduce operating support for the Center's various programs and administrative activities.				
Grant Programs				
129 Supplemental Funding Program	\$595,278	R	\$595,278	R
Provides additional funds for the Supplemental Funding Program and for two staff positions.				
Water and Sewer Grants	\$207,000			
Staff	\$138,278			
Water, Sewer, and Business Development Grants	\$250,000			
130 Capacity Building Assistance Program	\$125,000	R	\$125,000	R
Provides funds to support staffing for the Capacity Building Assistance Program.				
Reserves				
131 Agricultural Advancement Consortium	\$200,000	R	\$200,000	R
Places funds in a reserve for the operating expenses associated with the Agricultural Advancement Consortium and for research initiatives funded by the Consortium.				
Administrative Expenses	\$75,000			
Research Initiatives	\$125,000			

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Total Legislative Changes	\$833,411	R	\$833,411	R
	(\$999,694)	NR		
Total Position Changes				
Revised Budget	\$4,091,055		\$5,090,749	

**JUSTICE
&
PUBLIC SAFETY
Section I**

Judicial

		GENERAL FUND	
		FY 2001-02	FY 2002-03
Recommended Budget		\$308,769,898	\$308,769,898
Legislative Changes			
1 Reduce Funding for Jury Fees		(\$370,000)	R (\$370,000) R
Funding is reduced to reflect recent years' experience. This reduction was part of the Governor's recommended budget and leaves \$3.8 Million available for 2001-2.			
2 Reduction in Operating Expenses		(\$189,254)	R (\$217,705) R
Operating expenses for the Judicial Branch are reduced as follows:			
	2001-2	2002-3	
Maintenance Agreements	\$98,500	\$107,250	
Printing & Binding	\$ 8,900	\$ 9,900	
Registration Fees	\$34,700	\$ 37,250	
Other Expenses	\$12,500	\$ 14,750	
Telephone/Telecomm	\$ 2,000	\$ 3,000	
Equipment Lease	\$ 5,000	\$ 5,500	
Supplies	\$27,654	\$ 40,055	
3 Eliminate Funds for Unemployment/Workers Comp		(\$370,066)	R (\$370,066) R
Funding for unemployment and workers compensation payments is eliminated. Since payments are unpredictable most departments do not budget a specific amount. This reduction was included in the Governor's recommended budget.			
4 Reduce Budgeted Funds for Temporary Services		(\$223,767)	R (\$223,767) R
Budgeted funds for temporary personnel are eliminated. This reduction was included in the Governor's recommended budget.			
5 Reduce Budgeted Funds for Administrative Contracts		(\$1,752,652)	R (\$1,752,652) R
Budgeted funds for administrative contracts are reduced. This reduction was included in the Governor's recommended budget. This includes an \$102,000 reduction in contractual funds for the Mecklenburg Speedy Drug Court as more of the operations of this program are now done with employees rather than by contract. Contractual funds are also reduced in administration, Superior Court, District Court, Clerks, District Attorneys, Custody Mediation, Arbitration, Sentencing Services and Drug Treatment Court.			
6 Reduce Funding for Fringe Benefits		(\$880,751)	R (\$880,751) R
Budgeted funds for FICA and Retirement are reduced based on reductions in other personnel items and projections for 2001-2002. This reduction was included in the Governor's recommended budget.			

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7 Budgeted Overtime

(\$62,664) R

(\$62,664) R

Funding for budgeted overtime is eliminated, since the amount is unpredictable and usually covered with available funds. The Governor recommended a reduction of \$42,236 and the subcommittee eliminated the remaining \$20,428.

8 Reduced Facility Lease Expense

(\$182,951) R

(\$181,701) R

Because of delays in renovating existing state offices, the projected increase in lease expenses for the Judicial Branch in the Governor's budget can be reduced. An increase of \$314,082 remains to cover projected increases in existing leases, the cost of rent for the Business Court, and the annualized cost of new office space leased for Court of Appeals staff.

9 Reduction in Superior Court Judge Travel

(\$103,000) R

(\$103,000) R

Funding is reduced for lodging and meal expenses for Superior Court Judge travel to conferences. Judge's may use their subsistence allowance to cover these expenses.

10 Judicial Branch Travel

(\$200,000) R

(\$200,000) R

Reduction in the total travel budget for the Judicial Branch based on actual expenditures in prior years.

11 Recalculated Longevity

(\$500,000) R

(\$500,000) R

Funding is reduced for longevity payments to court officials and staff based on a recalculation in April 2001.

12 Eliminate Funding for Blood Borne Pathogens

(\$16,068) R

(\$16,068) R

Funding for blood borne pathogens (immunizations) is no longer required.

13 Redirect Superior Court Judge Position

\$0 R

\$0 R

The vacant Superior Court Judge position in District #4B (Onslow) shall be redirected to District #24 (Avery, Mitchell, Watauga, Yancey, Madison), effective October 1, 2001.

0.00

0.00

14 Eliminate Vacant DA Investigator

(\$47,525) R

(\$47,525) R

A vacant District Attorney Investigator position in District #29 is eliminated. Not all District Attorneys have investigators and this position has been vacant since March 2000.

-1.00

-1.00

15 Eliminate Vacant District Court Judgeship

(\$125,102) R

(\$123,504) R

The vacant District Court Judge position in District #17A (Rockingham) shall be eliminated. The position in Rockingham County was authorized in the 2000 Budget but no appointment has been made.

-1.00

-1.00

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16 Increase Budgeted Receipts for Dispute Resolution

(\$70,251) R

(\$70,251) R

The General Fund contribution to the Mediated Settlement Conference in Superior Court and the District Court Mediated Settlement programs are reduced to reflect increased fee collections and operating expenses that have been less than originally anticipated. Receipts will increase in part due to HB 668 which has been ratified.

17 Budget Fees for Worthless Check Program

(\$500,000) R

(\$500,000) R

Participants in the worthless check program pay a \$50 fee which is collected in a non-reverting fund. These funds will be used to offset the expenses of the program, allowing a reduction in the General Fund contribution.

18 Reduce Funds for Court of Appeals Mediation

(\$20,000) R

(\$20,000) R

This program, authorized in the 2000 budget, has not been implemented as of May 2001. Funding is reduced to reflect expectation of limited activity in the first years.

19 Reduction in Funding Sentencing Services Program

(\$100,000) R

(\$100,000) R

Funding for the Sentencing Services program is reduced by \$100,000 based on the amount left unspent in prior years. This reduction may be taken in the costs of the state-run or nonprofit programs.

20 Annualization of New Positions

\$1,602,574 R

\$1,902,574 R

The recommended continuation budget did not cover the full-year costs of 42 new positions added during 2000-2001. This item provides funds to annualize all the personnel costs and half the operating costs.

21 New Courthouses' Telephone Systems/ Network Cable

\$475,000 NR

\$125,000 NR

Funds are added to provide telephone systems and network cable for new courthouses expected to be completed during the biennium; five courthouses in 2001-2 and one in 2002-3. While county governments are responsible for the construction and furnishing of new courthouses and the installation of telecommunication lines in court facilities, the Judicial Branch is responsible for providing the cabling and phone systems.

22 Membership in National DA's Association

\$15,000 R

\$15,000 R

Funding is continued to allow all 39 District Attorneys to join the National District Attorney's Association. Nonrecurring funding was provided for this purpose in 2000-2001.

23 District Court Judge

\$64,463 R

\$123,504 R

Provide funding for a new District Court Judge to be located in District #10, Wake County. New position is effective January 1, 2002.

\$12,209 NR

1.00

1.00

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24 Redirect Vacant Clerk Position

A part-time Deputy Clerk position in Caswell County, vacant since August 1999, is redirected to upgrade two .75 fte positions to fulltime in Madison and Swain Counties. Funds are provided for a new deputy clerk position in Brunswick County and a new Assistant Clerk position in New Hanover, effective July 1, 2001.

\$66,536 R
\$7,865 NR
2.00

\$66,536 R
2.00

25 New Special Superior Court Judge

Funds are provided for a new Special Superior Court Judge, effective October 1, 2001. This brings the total number of Special Judges to 13.

\$116,491 R
\$9,153 NR
1.00

\$147,701 R
1.00

26 New Magistrates

Funds are provided to add a half-time magistrate in Columbus County and a fulltime magistrate in Chowan counties. In addition, a vacant part-time magistrate position in Johnston County shall be moved to Swain County.

\$54,576 R
\$11,426 NR
1.50

\$54,576 R
1.50

Total Legislative Changes

(\$3,794,411) R
\$515,653 NR

(\$3,429,763) R
\$125,000 NR

Total Position Changes

3.50

3.50

Revised Budget

\$305,491,140

\$305,465,135

Judicial - Indigent Defense

		GENERAL FUND	
		FY 2001-02	FY 2002-03
Recommended Budget		\$66,660,467	\$66,660,467
Legislative Changes			
27 Increase Budgeted Receipts		(\$750,000) R	(\$750,000) R
General Fund budget is reduced to reflect a substantial increase in the amount collected through counselor fee judgments and set-off debt collection .			
28 Reduce Funding to NC State Bar		(\$830,000) R	(\$1,660,000) R
Annualized funding to the NC State Bar is reduced by \$1.66 Million. This is the portion that has gone to Legal Services of North Carolina. As of January 1, 2002, Legal Services will receive a portion of court fee collections instead (Sec.22.14).			
29 Authorize New Assistant Public Defender Positions		\$0 R	\$0 R
The Office of Indigent Defense Services may establish up to 6 assistant public defender positions in lieu of using assigned counsel in statewide programs or areas with established Public Defenders. OIDS may use up to \$477,768 in 2001-2 and \$446,820 in 2002-3 from the indigent fund to establish these positions, at no additional cost to the General Fund.			
		6.00	6.00
30 Authorize PD Support Staff Positions		\$0 R	\$0 R
The Office of Indigent Defense Services may establish up to 5 support positions (legal assistants, investigators, administrative assistants) in statewide programs or areas with established Public Defenders. OIDS may use up to \$283,575 in 2001-2 and \$256,310 in 2002-3 from the indigent fund to establish these positions at no additional cost to the General Fund.			
		5.00	5.00
31 Annualization of New Positions		\$191,643 R	\$191,643 R
The continuation budget did not cover the full-year costs of 5 new positions added during 2000-2001. This item provides funds to annualize the personnel costs and the operating costs.			
32 Increase Funding for Indigent Defense		\$4,909,491 R	\$4,425,661 R
Funding is increased to cover the growing costs of indigent defense and shortfalls in the current biennium. This brings the General Fund appropriation for assigned counsel to \$44.78 Million			

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FY 2002-03

Total Legislative Changes	\$3,521,134	R	\$2,207,304	R
Total Position Changes	11.00		11.00	
Revised Budget	\$70,181,601		\$68,867,771	

Justice

GENERAL FUND

	FY 2001-02	FY 2002-03
Recommended Budget	\$76,471,632	\$76,471,632

Legislative Changes

33 Funding for Traffic Law Enforcement	\$260,000	R	\$260,000	R
Funds to implement the collection and analysis of racial, ethnicity, and other data about traffic stops made by county and certain municipality local law enforcement officers.				
34 Decrease General Fund Appropriation	(\$1,500,000)	R	(\$1,500,000)	R
The general fund appropriation is decreased to offset increased revenue/receipts.				
35 Vehicle Replacement				
Reduce vehicle replacement funds by \$922,018. This is the net amount after adjusting for decreased receipts from the sale/trade-in value of existing vehicles.	(\$922,018)	NR		
36 Annualization of Position Costs	\$155,424	R	\$155,424	R
Annualization costs of 8 Tort Claims and SBI Laboratory positions established during FY00-01. These costs were omitted from the Governor's Recommended Budget.				
37 Eliminate Vacant Positions	(\$386,338)	R	(\$386,338)	R
The Governor's Budget recommends the elimination of 8 vacant positions. The Department of Justice submitted the following 9 positions:				
Media Technician I (3615-0000-0004-815)				
CJ Training Coordinator I (3615-0000-0004-603)				
Paralegal II (3612-0000-0000-185)				
Attorney I (3612-0000-0000-207)				
Attorney I (3612-0000-0000-254)				
Social Research Assoc II (3612-0000-0000-080)				
Office Asst IV (3613-0000-0003-115)				
Office Asst IV (3613-0000-0003-013)				
CJ Spec/Investigator III (3613-0000-0003-012)				
	-9.00		-9.00	

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38 Reduce Various Contracts and Expense Items

(\$529,925) R

(\$529,925) R

The Governor's budget recommends reduced funding for various administrative line items related to personal and purchased services:

53 1311: \$38,044 (Temp Wages)
 53 1351: \$1,000 (Stu Temp Wages)
 53 1411: \$155,325 (Overtime)
 53 1511: \$15,611 (Soc Security)
 53 1521: \$18,343 (Reg Retirement)
 53 1531: \$24,588 (LEO Retirement)
 53 1561: \$10,054 (Med Insurance)
 53 1572: \$9,563 (Unemploy comp to ES)
 53 1625: \$41,329 (State Disability Payment)
 53 1631: \$20,123 (Work. Comp. Medical Payment)
 53 1660: \$17,580 (Taxable Emp. Expense Reim)
 53 2110: \$3,445 (Legal Services)
 53 2120: \$4,000 (Financial/audit Services)
 53 2132: \$1,292 (Other Provided Medical Services)
 53 2140: \$80,575 (Sys Imple/integ Services)
 53 2170: \$8,020 (Admin Services)
 53 2192: \$3,200 (Honorariums)
 53 2199: \$77,281 (Misc Contractual Services)

39 Eliminate the Office of the Inspector General

(\$250,000) R

(\$500,000) R

Effective January 1, 2002, eliminate the Office of the Inspector General. The functions performed by this office duplicates those responsibilities carried out by the Department of Health and Human Services and county social services offices.

-9.00

-9.00

40 Redirect DARE Program

(\$231,000) R

(\$325,000) R

Approximately 60 percent of the NC DARE workload is in support of its role as the U.S. Southeast Regional Training Center. As of August 31, 2001, NC DARE will no longer perform this SE regional training function and will stop receiving federal funds from DARE America. NC DARE uses all of the federal funds for SE regional training and none of these funds are passed through to local law enforcement agencies. With the termination of NC DARE as SE Regional Trainers, state funding and resources are redirected to provide training to NC local law enforcement officers only, 40% of the current workload. This redirection and changes in the methods of providing State training make it possible to reduce six state positions, effective October 1, 2001. The SBI would retain three positions and shall continue to administer the program, but shall provide the training in a more cost-efficient manner by collaborating with the Criminal Justice Standards Division so as to utilize the resources of the Justice Training Academies. In support of the DARE program, DARE America indicates that it will make available, at no cost, technical assistance and training resources to state and local law enforcement agencies.

-6.00

-6.00

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FY 2002-03

41 NC LEAF

\$75,000

R

\$75,000

R

Provide funding to the NC Legal Education Assistance
Foundation to assist with loan repayment for public service
attorneys.

Total Legislative Changes

(\$2,406,839)

R

(\$2,750,839)

R

(\$922,018)

NR

Total Position Changes

-24.00

-24.00

Revised Budget

\$73,142,775

\$73,720,793

Juvenile Justice & Delinquency Prevention

GENERAL FUND

	FY 2001-02		FY 2002-03	
Recommended Budget	\$147,706,045		\$149,456,045	
Legislative Changes				
Administrative Services				
42 Management Information System Support	\$852,545	R	\$852,545	R
Annualization of costs related to M.I.S. positions and recurring J-NET communications cost established during Fiscal Year 2000-01. These costs were omitted from the Governor's Recommended Budget.				
43 Eliminate Vacant Position	(\$48,031)	R	(\$48,031)	R
Effective July 1, 2001, eliminate vacant central office Program Coordinator position (#00119), which has been vacant since January 1, 2000.				
	-1.00		-1.00	
44 Reduce Vehicle Replacement Funds				
Funding for vehicle replacement is reduced by \$251,280. This is the net amount after adjusting for decreased receipts from the sale/trade-in value of existing vehicles.				
	(\$251,280)	NR		
Intervention/Prevention				
45 Juvenile Crime Prevention Council (JCPC) Funds	(\$1,300,000)	R	(\$1,300,000)	R
Reduce the amount of JCPC discretionary funds by \$1,300,000. The remaining \$500,000 shall not be set aside for discretionary purposes. These funds shall be included in the formula grant allocation so as to increase the amount of formula grant funding available to county JCPCs.				
46 Eliminate Vacant Positions	(\$66,000)	R	(\$66,000)	R
Effective July 1, 2001, eliminate vacant administrative secretary and processing assistant positions.				
	-2.00		-2.00	
Special Initiatives				
47 Boys and Girls Clubs	(\$100,000)	R	(\$100,000)	R
Reduce budget by the amount of funds targeted for the 3 eligible but non-participating counties originally specified for this initiative (Chowan, Columbus, & Martin).				
48 Eliminate G.R.A.S.P. Contract	(\$253,000)	R	(\$338,000)	R
Effective October 1, 2001, eliminate contract funds budgeted for the Guard Response Alternative Sentencing Program. Program referrals and enrollments are significantly below capacity.				

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49 Multipurpose Group Home

(\$500,000) R

(\$500,000) R

Eliminate operating funds budgeted for the multipurpose group home which has not been constructed.

50 Camp Woodson East

(\$155,000) NR

Reduce the operating funds for Camp Woodson East due to delayed opening date of October 1, 2001.

Youth Development**51 Pilot Multifunctional Facility**

(\$2,500,000) R

(\$2,500,000) R

The Governor's Budget recommends elimination of funds to contract for a privately constructed and operated residential facility for juvenile offenders. Only one bid was received. The bid was over the amount budgeted and the proposed budget was not cost-effective according to DJJDP.

52 Increase Detention Center Receipts

(\$350,000) R

(\$350,000) R

Reduce the General Fund appropriation to offset increased Detention Center receipts.

53 Eliminate Vacant Teaching Positions

(\$88,467) R

(\$88,467) R

Effective July 1, 2001, eliminate 2 vacant teacher positions: one at Samarkand (vacant since Dec. 99) and one at Dillon (vacant since January 2000).

-2.00

-2.00

54 Cottage Parent Position Reductions

(\$1,260,866) R

(\$1,578,159) R

DJJDP shall eliminate 57 of 90 cottage parent positions -- 18 vacant and 39 filled -- in the Youth Development Centers (Training Schools). The 39 filled positions shall be eliminated October 1 and November 1, 2001.

-57.00

-57.00

The cottage parent position is a low level custody position (Grade 60) that is difficult to recruit; further, the cottage parent can only be assigned to the night shift when juvenile offenders are locked in their rooms. DJJDP plans to allow qualified Cottage Parents to apply for vacant Counselor Tech. positions; vacancies for this Grade 62 custody position remain high so the reduction could improve staffing coverage in the Centers. DJJDP recommended this reduction in lieu of proposed reductions in Counselor Techs. and Behavioral Specialists.

55 Close Wilkes Detention Facility

(\$413,465) R

(\$413,465) R

The Governor's Recommended Budget would close the Wilkes Detention Center because it is not cost-effective to operate. Staff and juveniles will be relocated to the new Alexander Detention Center.

-18.00

-18.00

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56 Eliminate Vacant Counselor Technician Positions

(\$224,016) R

(\$224,016) R

Eliminate 5.5 Counselor Technician positions and one Secretary position from the Youth Development Centers. The reduction is to take the place of a Governor's recommended budget reduction to eliminate the DJJDP portion of the police force at the Juvenile Evaluation Center. The DJJDP police force will remain in place to serve JEC; DJJDP will also transfer funds and positions to DHHS to provide security at two surrounding DHHS facilities rather than operate a joint police force.

-6.50

-6.50

57 Transfer Police Force Positions to DHHS

(\$248,435) R

(\$248,435) R

DJJDP operates a joint police force serving the Juvenile Evaluation Center and two adjacent DHHS facilities. It is recommended that 6 police positions be transferred so that DHHS can operate a separate police force for the Black Mountain Center and the Alcohol and Drug Abuse Treatment Center. DJJDP will continue to operate a 5 person police force at JEC and the two forces will collaborate during emergencies

-6.00

-6.00

Total Legislative Changes

(\$6,499,735) R

(\$6,902,028) R

(\$406,280) NR

Total Position Changes

-92.50

-92.50

Revised Budget

\$140,800,030

\$142,554,017

Correction

GENERAL FUND

	FY 2001-02	FY 2002-03
Recommended Budget	\$931,350,075	\$931,350,075

Legislative Changes

58 Reentry Program

Continue funding for one more year for program designed to provide inmates with skills needed to function in the community upon release. Training is part of program operated by UNC Chapel Hill.

\$75,000 NR

59 ECO Family Counseling Program

Continue funding for program funded in 2000-01 to provide counseling and services for families of inmates. Program is operated by a non-profit organization, Energy for Committed Offenders, Inc.

\$50,000 NR

Alcoholism and Chemical Dependency Programs**60 Community Substance Abuse**

The General Assembly appropriated \$100,000 NR for FY 2001 to fund a community program in Northhampton County that works with substance abuse offenders. This item continues part of that funding on a non-recurring basis.

\$75,000 NR

61 Terminate Substance Abuse Contracts

Eliminate State contracts with Cornell (\$1,185,700) and Right Turn (\$1,820,477). These substance abuse services can be delivered using existing services and resources now available in the department. This is a Governor's recommendation.

(\$3,006,177) R (\$3,006,177) R

62 Reduce Substance Abuse Aftercare

The department provides in-house, substance abuse residential services to inmates. Aftercare services are provided through contracts with private providers to inmates who return to the general population. This would eliminate aftercare service contracts with private providers. This is a Governor's recommendation.

(\$105,000) R (\$105,000) R

63 Reduce Personal Services Contract

The department provides seed money to contract with community service providers of substance abuse services for DART-Cherry community aftercare. The State provides substance abuse services through 39 Area Mental Health Programs. To avoid duplication of services, this cut would eliminate personal services contracts. This is a Governor's recommendation.

(\$225,000) R (\$225,000) R

Community Corrections**64 Criminal Justice Partnership Program**

(\$270,000)	R	(\$270,000)	R
(\$1,000,000)	NR	(\$1,000,000)	NR

The Criminal Justice Partnership program awards grants to participating counties to fund local community correction programs. The Department of Correction will limit CJPP implementation funding to the counties currently participating in the program, allowing for a reduction of \$270,000. As a non-reverting fund, the Department has been allowed to keep unexpended funds in the CJPP budget, which have exceeded \$1 million each year since the program's inception. This item requires the Department to revert \$1 million of the unexpended balance each year of the biennium. The Governor recommended a reduction of the CJPP budget of \$1.27 million.

65 Reallocate Positions in Probation/Parole

(\$938,043)	R	(\$938,043)	R
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Reallocate the 27 of the 43 Administrative Probation/Parole Officers into vacant Probation/Parole positions and eliminate the APPO classified positions.

-27.00	-27.00
--------	--------

66 Eliminate Administrative Support Positions

(\$111,383)	R	(\$111,383)	R
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Eliminate 3 administrative support positions in the Division of Community Corrections.

-3.00	-3.00
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67 Eliminate Vacant Positions

(\$153,561)	R	(\$153,561)	R
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Eliminate 2 vacant Intensive Probation Parole Officer and 2 vacant Surveillance Officer positions.

-4.00	-4.00
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68 Reduce Funding for Drug Testing

(\$102,118)	R	(\$102,118)	R
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Reduce the Division of Community Corrections annual appropriation for drug testing.

69 Reduce Various DCC Budget Line Items

(\$107,750)	R	(\$107,750)	R
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Reduce Division of Community Corrections Administration travel budget by \$6,000; Reduce office and data processing equipment by \$60,000; reduce cell phone expenditures by \$41,750.

70 CSWP Program Transfer

\$2,913,282	R	\$5,826,564	R
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The Community Service Work Program will be transferred to the Department of Corrections to be merged with the Division of Community Corrections. The merger will be complete by January 1, 2002.

189.00	189.00
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71 Reduce Appropriation to Summit House Inc.

(\$139,650)	R	(\$139,650)	R
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The General Assembly will reduce the annual appropriation to Summit House Inc. by 10%. This reduction shall not result in a reduction to individual sites, but to the Summit House Inc. State Office.

72 Reduce Appropriation to John Hyman Foundation

(\$25,000) R

(\$25,000) R

The John Hyman program has leased the former Warren County Correctional Facility for \$1 per year and therefore will no longer have to pay for facility rental at its current location. It was determined that John Hyman's budget could be reduced by 10%, slightly less than the amount currently being spent on rent. The reduction should not result in a decrease in services but in the program's administration/operating budget.

Post Release Supervision and Parole Commission**73 Abolish Vacant Parole Commission Positions**

(\$78,000) R

(\$78,000) R

With the passage of the Structured Sentencing Act, the number of parolees has declined. Therefore, the Parole Commission staff will be reduced by eliminating two vacant positions. This is a Governor's recommendation.

-2.00

-2.00

Prisons**74 Close Alamance Correctional Center**

(\$745,546) R

(\$960,220) R

Alamance currently operates as a minimum custody work release unit. The Governor recommended closing this prison consistent with the GPAC recommendations. Cost per day and the declining need for minimum custody beds was also considered. Alamance's cost per day in 1999-2000 was \$66.89 compared to \$52.52 for the average minimum custody unit. The budget reduction includes a 50% reduction in the inmate budget. The prison would close October 1, 2001.

-27.00

-27.00

75 Increase Funding for Inmate Medical Costs

\$5,183,835 R

\$5,183,835 R

The continuation budget does not reflect the actual expenditures for inmate medical costs. The amount appropriated will provide partial funding of increased medical costs.

76 Medical Transportation Officers

(\$263,249) R

(\$315,843) R

This reduction in the number of correctional officers that transport inmates is possible because DOC has reduced medical contracts and hired more in-house doctors, thus reducing travel for medical purposes.

-11.00

-11.00

77 Increase Work Release Transportation Fee

(\$33,500) R

(\$33,500) R

Work release inmates pay a fee to DOC for transportation to their jobs. Increase this fee from \$2 to \$2.50 to allow for a General Fund reduction.

78 Increase Work Release Fee

(\$307,000) R

(\$307,000) R

Increase the fee charged to inmates for work release by \$1, from \$15 a day to \$16. This allows a reduction in the General Fund.

79 Close Scotland Correctional Center

(\$929,980) R (\$1,394,966) R

Scotland Correctional Center will be closed November 1, 2001. Scotland is a small GPAC unit with 48 minimum custody inmates and 24 segregation beds. The cost per day in 99-2000 was \$102. The Governor also recommended closing Scotland. The reduction amount includes a 50% reduction in the inmate budget.

-41.00 -41.00

80 Inmate Disciplinary Fees

(\$220,000) R (\$220,000) R

Adjust inmate disciplinary fees to reflect projected collections and reduce General Fund. The Governor's Budget recommended a \$120,000 reduction in the General Fund. The reduction shall be \$220,000, based on the latest collection figures.

81 Inmate Food Budget Reduction

(\$4,625,000) R (\$4,500,000) R

The Governor recommended a reduction of \$2,197,549 each year based on the improved efficiency of inmate food service and a resulting decrease in expenditures. It is anticipated DOC will be able to decrease expenditures further compared to the Governor's final recommended budget for each year. The food budget shall be reduced by an additional \$2,427,451 for a total of \$4,625,000 in FY01-02. The reduction in FY02-03 shall be an additional \$2,302,451 for a total of \$4,500,000.

82 Funding to Operate two Former Private Prisons

\$2,750,000 R \$2,750,000 R

DOC is now operating Pamlico and Mt. View as State prisons. The prisons were formerly run by a private contractor for DOC. The amount funded is to cover increased DOC operating costs. DOC is already operating these prisons.

83 Reduce Program Staffing in Prisons

(\$214,260) R (\$285,681) R

The current program staffing ratio is one staff person for every 52 inmates. This reduction would increase the ratio to approximately one person for every 55 inmates by 2002-03. The reduction of 10 positions is to be carried out system wide from among the 606 program positions and is effective October 1, 2001. Positions should be eliminated from among the following job classes with at least one position from a program supervisor class:

-10.00 -10.00

Program Assistant Supervisor
Program Assistant II
Program Assistant I

84 Reception and Diagnostic Centers

(\$127,900) R (\$156,026) R

Based on overstaffing compared to workload guidelines, six positions shall be eliminated, effective October 1, 2001. The positions to be eliminated can be from any of the following position classifications:

-6.00 -6.00

Case Analyst
Senior Case Analyst
Processing Assts.
Admissions Tech.
Behavioral Specialists I and II

85 Prison Chaplain Program

(\$186,244) R

(\$247,178) R

DOC obtains chaplain and religious services for inmates through a combination of permanent DOC chaplain positions, contract chaplains, and volunteer chaplains and religious groups. DOC's General Fund budget is over \$2.9 million dollars for the DOC chaplain program; additional funding for contract chaplains is provided from the Inmate Canteen/Welfare Fund. It is recommended that seven of the 73 DOC chaplain positions be eliminated system wide. The reductions should be taken at prisons where there is more than one DOC chaplain position. DOC should increase efforts to obtain more community volunteers to provide religious services. The reduction is effective October 1, 2001

-7.00

-7.00

86 Inmate Road Squad Payments

(\$3,000,000) R

(\$3,000,000) R

DOT uses DOC inmate road squads to perform highway-related labor. Currently, General fund costs are funded by reimbursements from the Highway Fund. For the 2001-03 biennium, \$2.5 million shall be transferred quarterly from DOT to DOC for the cost of operating inmate road squads. The amount of \$3 million in this report is the difference between the current projected amount of \$7 million dollars, which did not fully fund the actual cost of the road squads, and the anticipated cost of \$10 million in each year of the biennium. DOT is also directed to appropriate \$2,842,233 from the Highway Fund to the General Fund as a one-time appropriation in 2001-02. DOT has not reimbursed DOC for the full \$7 million dollar amount directed for payment in HB 168 for the 1999-2001 biennium so it is directed that this payment be made in 2001-02.

(\$2,842,233) NR

87 Annualize Medical Positions

\$949,977 R

\$949,977 R

The Governor's 1999 budget inadvertently left out annualization of DOC medical positions funded in 1997. This amount annualizes those positions, which are already established.

88 Open New Dorm and Kitchen at Women's Prison

\$1,036,418 R

\$1,381,252 R

A new 208 bed dorm and kitchen are due to open fall of 2001. The Governor's Recommended Budget did not provide funding to operate these buildings

41.00

41.00

89 Open New Central Prison Diagnostic Unit

\$1,775,760 R

\$2,685,545 R

A new 192 bed prison diagnostic center is due to open fall of 2001. The funding, which was not included in the Governor's Recommended Budget, is to operate the new building. The funding is reduced by \$100,000 below the DOC request by reducing the non-salary operating budget.

79.00

79.00

90 Staffing Warrenton Segregation Building

\$700,000 R

\$700,000 R

This unit was converted from medium custody to high level segregation but funds for additional staff were not recommended in the Governor's budget. This budget partially funds the amount requested by DOC.

24.00

24.00

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91 Operating Funds for Fountain Correctional Center

\$477,631 R

\$477,631 R

DOC constructed a new segregation unit at Fountain and a new Central Control room, both due to open in May, 2001. This item funds operating costs for these buildings, which were not included in the Governor's budget, effective July 1, 2001.

16.00

16.00

92 Contract with Prisoner Legal Services

\$265,787 R

\$265,787 R

Funding is provided for an increase in the contract between DOC and PLS for PLS to provide legal services to inmates. The increase was previously negotiated and agreed upon by both parties.

Residential Programs**93 Reduction in IMPACT programs**

(\$1,005,652) R

(\$1,508,478) R

Funding and staffing for the IMPACT boot camp programs located in Hoffman and Morganton is reduced by 25%, effective November 1, 2001. The department shall maintain programs for male probationers in both locations but at reduced capacity and with possible modifications to the program. The IMPACT program will be abolished June 30, 2003 and the Department of Correction shall develop recommendations for alternative programs by May 2002.

-37.00

-37.00

Systemwide**94 Victims Services**

\$140,824 R

\$140,824 R

Provide funding for three positions and operating costs in the DOC Central Office to provide services to victims. Positions were grant funded but grant has ended.

3.00

3.00

95 Reduce Travel Budget

(\$260,000) R

(\$260,000) R

Reductions will be taken in the travel, meals and lodging line items for the Division of Prisons and the Division of Community Corrections, as recommended in the Governor's budget. The Subcommittee makes the cut recurring.

96 Reduce funding for MIS contractual Services

(\$200,000) R

(\$200,000) R

DOC has reorganized MIS staff to improve efficiency and re-prioritize projects to allow this reduction, as recommended in the Governor's Budget.

97 Reduce Office and Data Processing Equipment

(\$400,000) R

(\$400,000) R

Reduce funding in the office equipment (\$200,000) and data processing equipment (\$200,000) line items as recommended in the Governor's Budget.

98 Reduce Funding for Vehicle Replacement

(\$396,000) R

(\$396,000) R

The Governor's Recommended Budget reduced this item by \$396,000 on a recurring basis. The total non-recurring reduction shall be \$1,430,062. This reduction basically limits vehicle replacement to only the highest priority purchases in FY 2001-02.

(\$1,430,062) NR

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99 DOC Management Budget

(\$300,000) R

(\$300,000) R

The non-salary line item budget for DOC management was reduced on a non-recurring basis in 1999-2000 and restored in the Governor's Recommended Budget. This budget makes the reduction recurring.

Total Legislative Changes	(\$2,282,499) R	\$614,841 R
	(\$5,072,295) NR	(\$1,000,000) NR
Total Position Changes	177.00	177.00
Revised Budget	\$923,995,281	\$930,964,916

Crime Control and Public Safety

GENERAL FUND

	FY 2001-02	FY 2002-03
Recommended Budget	\$37,554,148	\$37,554,148

Legislative Changes

100 Reduce Travel Budget (\$82,000) R (\$82,000) R
 Reduce travel budgets by the following amounts in the following divisions:

Administration	\$ 6,500
National Guard	\$ 5,450
ALE	\$15,000
Emergency Management	\$12,000
V&J Services	\$21,050
GCC	\$22,000

Administration

101 Eliminate Vacant Position in CCPS Administration (\$42,554) R (\$42,554) R
 Eliminate one (1) vacant Information and Communication Specialist position in Crime Control and Public Safety's Administration Division. -1.00 -1.00

Alcohol Law Enforcement

102 Eliminate Vacant ALE Positions (\$78,210) R (\$78,210) R
 ALE's budget will be reduced by eliminating one vacant office assistant position and one district supervisor position. -2.00 -2.00

103 Reduce Vehicle Replacement Line Item
 There will be a non-recurring cut to the vehicle replacement line item. (\$433,188) NR

104 Eliminate District Supervisor Positions (\$266,928) R
 ALE shall eliminate 3 additional district supervisor positions by June 30, 2002. This reduction will come from salary and operating expenses. -3.00

Butner Public Safety

105 Reduce Vehicle Replacement (\$71,500) NR
 There will be a one time reduction in the vehicle replacement line item for Butner Public Safety.

Emergency Management

106 Decrease General Fund Appropriation (\$50,000) R (\$50,000) R
 The General Fund appropriation is decreased to offset increased revenue/receipts.

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107 Transfer Mapping Division to Emerg. Mgt.

\$93,941 R

\$93,941 R

The Administrator for Surveying and Mapping will transfer to the Division of Emergency Management. The responsibilities and staff of the Flood Plan Mapping Unit within Surveying and Mapping will also transfer to Emergency Management. The receipt supported budget is \$18,473,555 and the General Fund Budget, which pays the administrator's salary, is \$93,941.

9.00

9.00

108 Decrease Funding for Regional Response Teams

(\$52,112) R

(\$52,112) R

This item decreases the funding for HAZMAT regional response teams.

109 Reduce Matching Funds

(\$125,000) R

(\$125,000) R

Funds have been over budgeted for the State match for federal grants. This item reduced the funding to the actual required amount.

110 Eliminate Vacant Emergency Management Positions

(\$67,171) R

(\$67,171) R

Eliminate two (2) vacant positions in Emergency Management on June 30, 2001.

-2.00

-2.00

111 Reduce Misc. Contractual Services

(\$105,000) R

(\$105,000) R

This item removes money from the Continuation Budget that was intended to fund a study on flood mapping. That study has been completed and the funds no longer need to be budgeted.

General**112 Reduce Various Operating Line Items**

(\$53,500) R

(\$53,500) R

Reduce the following operating line items by specified amount:

Administration Division

Computer Software \$15,500

Employee Education \$3,000

Butner Public Safety

Office Furniture \$5,000

V&J Services

Office Supplies \$15,000

Gov. Crime Comm.

Postage \$5,000

Printing \$10,000

Governor's Crime Commission**113 Reduce Operating Expenses**

(\$20,000) R

(\$20,000) R

Reduce Crime Prevention operating expenses.

114 Eliminate Vacant GCC Position

(\$25,897) R

(\$25,897) R

Vacant Processing Assistant III position will be eliminated in the Governor's Crime Commission.

-1.00

-1.00

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National Guard				
115 Increase State Match Tarheel Challenge	\$140,000	R	\$140,000	R
The federal match requirement for Tarheel Challenge Program, administered by the NC National Guard, will increase by 5% in FY 2002. The program will be funded on a 60% federal to 40% state match basis beginning FY 2002.				
116 Reduce National Guard Pension Fund Payments	(\$1,002,776)	R	(\$1,002,776)	R
The budget will be reduced by \$1,002,776 to adjust pension payments to reflect actuarial recommendations. \$470,635 of this total was in the Governor's recommendations.				
117 Reduce Tuition Assistance Funding	(\$100,000)	R	(\$100,000)	R
The National Guard Tuition Assistance program has traditionally had unexpended balances each fiscal year. This item reduces the appropriation by \$100,000.				
Victim & Justice Services				
118 Eliminate Vacant CSWP Supervisors	(\$82,776)	R	(\$82,776)	R
The Community Service Work Program budget will be reduced by eliminating two vacant District Supervisor positions.				
	-2.00		-2.00	
119 Eliminate Vacant CSWP Positions	(\$353,889)	R	(\$353,889)	R
Eliminate 3 office assistant vacancies and 8 coordinator vacancies in Community Service Work Program.				
	-11.00		-11.00	
120 CSWP Transfer	(\$2,913,282)	R	(\$5,826,564)	R
The Community Service Work Program will be transferred to the Department of Corrections to be merged with the Division of Community Corrections. The merger will be complete by January 1, 2002.				
	-189.00		-189.00	
121 CSWP Budget Reduction	(\$580,103)	R	(\$1,160,206)	R
Through efficiency measures taken with the Community Service Work Program transfer from the Department of Crime Control to the Department of Corrections, twenty-seven positions will be eliminated by January 1, 2002.				
	-27.00		-27.00	
122 Increase Appropriation for Rape Victims Assistance	\$100,000	R	\$100,000	R
In 1999, the General Assembly doubled the maximum award amount for Rape Victims Assistance but did not increase the appropriation. As a result, the fund has experienced shortfalls each year. This item increases the appropriation amount by \$100,000.				
123 Increase Appropriation for Crime Victims	\$100,000	R	\$100,000	R
Due to a large unexpended balance, the General Assembly reduced the appropriation to the Crime Victims Compensation fund by \$500,000 in 2000. With the implementation of several efficiency measures, the staff has increased the number of claims processed and awards made. This item restores part of the previous budget reduction of \$500,000 in order to cover the increase in awards made.				

Total Legislative Changes	(\$5,300,329)	R	(\$9,060,642)	R
	(\$504,688)	NR		
Total Position Changes	-226.00		-229.00	
Revised Budget	\$31,749,131		\$28,493,506	

**GENERAL
GOVERNMENT
Section J**

General Assembly

GENERAL FUND			
	FY 2001-02		FY 2002-03
Recommended Budget	\$40,567,848		\$40,567,848
Legislative Changes			
1900 Reserves and Transfers			
1 Reserves and Transfers	(\$1,014,000)	R	(\$1,014,000) R
Reduces contingency reserve funds in the following accounts each fiscal year on a recurring basis with the exception of an additional \$170,000 that is reduced in Agency Reserves (537195) in FY 01-02, only:	(\$170,000)	NR	
531521 Retirement - (\$613,857)			
531561 Medical Insurance - (\$65,125)			
537195 Agency Reserves - (\$504,875)			
Total Legislative Changes	(\$1,014,000)	R	(\$1,014,000) R
	(\$170,000)	NR	
Total Position Changes			
Revised Budget	\$39,383,848		\$39,553,848

Governor

		GENERAL FUND	
		FY 2001-02	FY 2002-03
Recommended Budget		\$5,633,739	\$5,633,739
Legislative Changes			
1110 Administration			
2 Reduce Operating Expenses		(\$60,649) R	(\$60,649) R
Reduces the operating budgets in the following line items:			
Office Furniture and Equipment	(\$7,066)		
Computer Equipment	(\$13,000)		
Computer Software	(\$6,591)		
Maintenance Agreement	(\$7,492)		
Travel	(\$10,000)		
Cellular Phone	(\$6,500)		
Telephone	(\$10,000)		
3 Clean NC		(\$50,834) R	(\$50,834) R
Changes funding for director position from appropriation to receipts as recommended by the Governor. The source of receipts will be federal and private grants.			
		0.00	0.00
1120 Dues to National Associations			
4 Reduce Membership Dues		(\$9,741) R	(\$9,741) R
Reduces the budget for dues paid to national associations.			
1130 Intergovernmental Relations			
5 Reduce Operating Budgets		(\$11,902) R	(\$11,902) R
Reduces the operating budgets in the following line items			
Compensation to Board Members	(\$600)		
Miscellaneous Contractual Services	(\$990)		
Repairs	(\$242)		
Maintenance Agreements	(\$878)		
Postage	(\$1,505)		
Printing	(\$1,567)		
Property Insurance	(\$50)		
Data Processing Supplies	(\$70)		
Membership Dues	(\$1,000)		
Travel	(\$5,000)		

1210 Citizen's Affairs**6 Reduce Operating Budget**

(\$9,550) R

(\$9,550) R

Reduces the operating budgets in the following line items:

In-state transportation	(\$10)
Data Processing Services	(\$739)
Registration Fees	(\$71)
General Office Supplies	(\$1,000)
Membership Dues	(\$70)
Administrative Services	(\$4,600)
Miscellaneous Contractual Services	(\$1,025)
Maintenance Agreements	(\$2,035)

1230 Education**7 Reduce Operating Budget**

(\$1,000) R

(\$1,000) R

Reduces the operating budget for in-state transportation.

1631 Raleigh Executive Residence**8 Reduce Operating Budget**

(\$36,904) R

(\$36,904) R

Reduces the operating budgets in the following line items:

Laundry Services	(\$400)
Pest Control Services	(\$250)
Misc. Contractual Services	(\$475)
Electric Services	(\$5,491)
Natural Gas	(\$1,237)
Water/Sewer	(\$1,471)
In-state Transportation	(\$2,090)
Printing	(\$1,500)
Registration Fees	(\$300)
Emp. Education Assistance Program	(\$600)
Data Processing Supplies	(\$300)
Food Supplies	(\$7,232)
Clothing and Uniforms	(\$581)
Office Furniture	(\$420)
Residential Furniture	(\$3,257)
Membership Dues	(\$300)
Transfer to other agencies	(\$4,000)
Repairs	(\$3,000)
Computer Equipment	(\$4,000)

1632 Western Executive Residence**9 Reduce Operating Budget**

(\$10,254) R

(\$10,254) R

Reduces the operating budgets in the following line items:

Laundry Services	(\$50)
Security Services	(\$165)
Pest Control Services	(\$150)
Misc. Contractual Services	(\$630)
Natural Gas	(\$1,000)
Water/Sewer	(\$1,000)
Residential Furniture	(\$1,625)
Repairs	(\$1,934)
Communication Equipment	(\$75)
Lease Other Property	(\$50)
Telephone Service	(\$200)
Janitorial Supplies	(\$2,375)
Other Materials and Supplies	(\$1,000)

Total Legislative Changes

(\$190,834) R

(\$190,834) R

Total Position Changes

0.00

0.00

Revised Budget**\$5,442,905****\$5,442,905**

State Budget, Planning & Management

GENERAL FUND

	FY 2001-02	FY 2002-03
Recommended Budget	\$5,789,900	\$5,789,900

Legislative Changes

1310 State Budget, Planning & Management

10 Eliminate Planning and Analysis Unit

(\$352,719)	R	(\$690,418)	R
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Eliminates the Administrator for State Planning and the seven Planning Analyst positions responsible for strategic planning analysis. Also abolishes an Applications Analyst Programmer Specialist position and an Office Assistant III position which support the strategic planning analysis function. All ten positions are eliminated effective September 1, 2001. The statutory requirements for performing strategic planning analysis will be repealed.

-10.00	-10.00
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11 Reduce Operating Budget

(\$93,567)	R	(\$93,567)	R
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Reduces the operating budgets in the following items:

(\$40,000)	NR
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Contracted Employees	(\$45,000)
Printing	(\$22,000)
Salary Reserve	(\$9,267)
Temporary Salaries	(\$5,000)
Staff Travel	(\$1,000)
ABC Travel (fee 2001-02 only)	(\$20,000)
ABC Subsistence (fy 2001-02 only)	(\$20,000)
Cellular Phones	(\$300)
Printing	(\$5,000)
Office Supplies	(\$1,000)
Office Furniture	(\$500)
Office Equipment	(\$500)
Computers	(\$2,000)
Membership/Subscriptions	(\$1,000)
Other Expenses	(\$1,000)

12 Personnel Adjustments

(\$20,018)	R	(\$72,849)	R
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Transfers a receipt-supported Statistician II position currently housed in the State Data Center within the State Planning Section to the Employment Security Commission. Eliminates an appropriation-supported State Management Analyst position (#3003-0405-0000-804) also housed in the State Data Center, effective September 1, 2001. These positions are responsible for analyzing the employment activity data captured in the common follow-up information management system. The salary (\$45,077) and benefits (\$9,315) for the Statistician II position are currently funded by a transfer from the Worker Training Trust Fund.

-1.00	-1.00
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1310 State Budget, Planning and Management**13 Transfer Personnel**

(\$93,941) R

(\$93,941) R

Transfers the Administrator for Surveying and Mapping to the Division of Emergency Management within the Department of Crime Control and Public Safety. Flood Plain Mapping will be transferred to CCPS as a Type I transfer. Geodetic Survey, County Boundaries, and the Center for Geographic Information Analysis will be transferred to the Division of Land Resources within the Department of Environment and Natural Resources as a Type I transfer as defined by G.S. 143A-6.

-1.00

-1.00

1900 Reserves and Transfers**14 Managed Care Patients' Assistance Program**

\$201,392 R

\$485,813 R

Provides funding to implement the Patients' Assistance Program which would be established upon the passage of SB 199, Managed Care Patients' Bill of Rights. The funding will cover the start-up and operating cost as well as the salaries and benefits for a director (effective November 1, 2001), an Insurance Regulatory Analyst II and a grade 61 support position (both effective December 1, 2001), and two Insurance Regulatory Analyst I positions (one effective January 1, 2002 and the other effective July 1, 2002). The funding is appropriated only if SB 199 becomes law. If SB 199 becomes law, the funding will be transferred to the state agency designated by the Governor to administer the program. The Insurance Regulatory Fund will reimburse any amounts appropriated from the General Fund.

\$67,500 NR

\$30,000 NR

4.00

5.00

Total Legislative Changes

(\$358,853) R

(\$464,962) R

\$27,500 NR

\$30,000 NR

Total Position Changes

-8.00

-7.00

Revised Budget

\$5,458,547

\$5,354,938

State Budget, Planning & Management - Flood Mapping and Surveying

GENERAL FUND

	FY 2001-02	FY 2002-03
Recommended Budget	\$1,232,845	\$1,232,845

Legislative Changes

1412 Geodetic Survey

15 Transfer Geodetic Survey

(\$1,035,096) R (\$1,035,096) R

Transfers the responsibilities and staff of the Geodetic Survey section within Surveying and Mapping to the Division of Land Resources within the Department of Environment and Natural Resources. The transfer has all the elements of a Type I transfer as defined in G.S. 143A-6. County Boundaries and the Center for Geographic Information Analysis will be transferred to DENR also and Flood Plain Mapping will be transferred to Division of Emergency Management within the Department of Crime Control and Public Safety.

-22.00 -22.00

16 Operating Budget Adjustments

(\$45,000) R (\$45,000) R

Reduces the operating budget in the miscellaneous contractual services line item.

1413 County Boundaries

17 Transfer County Boundaries

(\$152,749) R (\$152,749) R

Transfers the responsibilities and staff of the County Boundaries unit within Surveying and Mapping to the Division of Land Resources within the Department of Environment and Natural Resources. The transfer has all of the elements of a Type I transfer as defined in G.S. 143A-6. Geodetic Survey and the Center for Geographic Information Analysis will also be transferred to DENR. Flood Plain Mapping will be transferred to the Division of Emergency Management within the Department of Crime Control and Public Safety.

-1.00 -1.00

1415 Flood Plain Mapping

18 Transfer Flood Plain Mapping

\$0 R \$0 R

Transfers the responsibility and staff of the Flood Plain Mapping unit within Surveying and Mapping to the Division of Emergency Management within the Department of Crime Control and Public Safety. The transfer has all of the elements of a Type I transfer as defined in G.S. 143A-6. The receipt-supported General Fund budget is \$18,473,555. Geodetic Survey, County Boundaries and the Center for Geographic Information Analysis will be transferred to the Division of Land Resources within the Department of Environment and Natural Resources.

-8.00 -8.00

Center for Geographic Information & Analysis**19 Transfer Ctr for Geographic Information & Analysis**

\$0 R \$0 R

Transfers the Center for Geographic Information and Analysis to the Division of Land Resources within the Department of Environment and Natural Resources. The program has a receipt-supported budget of \$1,758,906 which is in budget code 23006, fund 2510 and 25 positions. The transfer has all of the elements of a Type I transfer as defined in G.S. 143A-6. Geodetic Survey and County Boundaries will also be transferred. Flood Plain Mapping will be transferred to the Division of Emergency Management within the Department of Crime Control and Public Safety.

0.00 0.00

Total Legislative Changes

(\$1,232,845) R (\$1,232,845) R

Total Position Changes

-31.00 -31.00

Revised Budget

\$0 \$0

State Budget, Planning & Management - Special Appropriations

GENERAL FUND

	FY 2001-02	FY 2002-03
Recommended Budget	\$3,080,000	\$3,080,000
Legislative Changes		
1022 2001 Special Appropriations		
20 Federal Matching Funds		
Provides matching funds for the Save America's Treasures initiative to preserve significant historic properties.	\$200,000	NR
21 Advisory Commission on Military Affairs		
Provides funds to support the Commission as established by special provision.	\$100,000	NR
22 Kids Voting NC Funds		
Provides funding to Kids Voting of North Carolina, Inc., a nonprofit corporation. Of the total \$155,000 appropriated, \$50,000 shall be used to implement new Kids Voting programs in nonparticipating counties across the State. The remaining \$105,000 shall be divided equally among the nine participating counties of Buncombe, Cabarrus, Catawba, Cumberland, Durham, Guilford, Haywood, Mecklenburg, and Wake to assist those counties with the Kids Voting programs.	\$155,000	NR
23 NC Humanities Council		
Provides funds to the North Carolina Humanities Council, a nonprofit corporation, for the programs of the Council.	\$100,000	NR
Total Legislative Changes	\$555,000	NR
Total Position Changes		
Revised Budget	\$3,635,000	\$3,080,000

Lieutenant Governor

GENERAL FUND

	FY 2001-02		FY 2002-03	
Recommended Budget	\$686,308		\$686,308	
Legislative Changes				
1110 Administration				
24 Salaries and Wages	(\$16,763)	R	(\$16,763)	R
Reduces salary reserve and related benefits each fiscal year.				
Total Legislative Changes	(\$16,763)	R	(\$16,763)	R
Total Position Changes				
Revised Budget	\$669,545		\$669,545	

Secretary of State

GENERAL FUND

	FY 2001-02	FY 2002-03
Recommended Budget	\$8,760,901	\$8,760,901

Legislative Changes

1100 Administration

25 Reduce Operating Budget

(\$34,918)	R	(\$34,918)	R
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Reduces operating budgets in the following line items:

Travel	(\$12,200)
Miscellaneous Contracted Service	(\$3,159)
System Implementation	(\$18,309)
Employee Education Expenses	(\$500)
Data Processing Supplies	(\$300)
Photographic Supplies	(\$150)
Office Furniture	(\$300)

1120 Publications

26 Reduce Operating Budget

(\$3,441)	R	(\$3,441)	R
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Reduces operating budgets in the following line-items:

Computer Data Processing Services	(\$1,000)
Travel	(\$1,200)
Time-Limited Salaries	(\$1,241)

27 North Carolina Manual

Provides funding for the bi-annual printing of the North Carolina Manual.

\$50,000	NR
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1210 Corporations

28 Reduce Operating Budget

(\$45,580)	R	(\$45,580)	R
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Reduces operating budgets in the following line items:

Maintenance Agreements	(\$15,000)
Employee Education Expense	(\$10,080)
Data Processing Supplies	(\$1,500)
Travel	(\$3,200)
Over-time Pay	(\$8,000)
Miscellaneous Contractual Services	(\$2,000)
Office Furniture	(\$2,000)
Office Equipment	(\$1,800)
Other Administrative Expenses	(\$2,000)

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FY 2001-02

FY 2002-03

29 LLC Annual Report Notification

Provides funding for temporary personnel, supplies, and postage needed to send notifications to Limited Liability Companies of their annual report due date and to enhance the Department's collection efforts.

\$100,000 NR

1220 Uniform Commercial Code**30 Reduce Staffing**

(\$222,731) R

(\$267,657) R

Eliminates 10 Processing Assistant positions in the UCC Division effective September 1, 2001. These positions were among the 41 positions that were added during the 2000 Session to handle the increased workload anticipated from the implementation of Revised Article 9 of the UCC.

-10.00

-10.00

31 Reduce Operating Budget

(\$21,200) R

(\$21,200) R

Reduces the operating budgets for travel(\$11,200) and miscellaneous contractual services (\$10,00).

32 Additional Rent Funding

\$127,142 R

\$127,142 R

Provides the additional funding needed to cover the annual lease payments for the property which houses the Uniform Commercial Code Section.

1230 Securities Division**33 Reduce Operating Budget**

(\$6,270) R

(\$6,270) R

Reduces operating budgets in the following line items:

Travel	(\$1,270)
Employee Education	(\$1,200)
Postage	(\$1,200)
Office Furniture	(\$1,500)
Other Administrative Expense	(\$1,100)

1240 Business License Information Office**34 Reduce Operating Budget**

(\$3,250) R

(\$3,250) R

Reduces the operating budgets in the following line-items:

Travel	(\$2,300)
Miscellaneous Contractual Services	(\$150)
Cellular Phone	(\$100)
Data Processing Supplies	(\$100)
Office Furniture	(\$500)
Other Administrative Expense	(\$100)

35 Reduce Staffing

(\$215,927) R

(\$215,927) R

Eliminates 5 Business License Consulting positions (including 2 vacant positions) and 1 Processing Assistant III position, effective July 1, 2001.

-6.00

-6.00

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FY 2002-03

1300 Notary Public**36 Reduce Operating Budget**

(\$2,000) R

(\$2,000) R

Reduces operating budget for miscellaneous contractual services.

1400 Land Records**37 Reduce Operating Budget**

(\$950) R

(\$950) R

Reduces the operating budget for office furniture.

Total Legislative Changes

(\$429,125) R

(\$474,051) R

\$150,000 NR**Total Position Changes**

-16.00

-16.00

Revised Budget**\$8,481,776****\$8,286,850**

Auditor

GENERAL FUND			
	FY 2001-02		FY 2002-03
Recommended Budget	\$12,166,518		\$12,166,518
Legislative Changes			
1210 Field Audit Division			
38 Over-realized Receipts	(\$301,845)	R	(\$301,845) R
Reduces the General Fund appropriation for field audits. The Department has over-realized its budgeted receipts for audit work related to single audit and CAFR. Increasing budgeted receipts to more accurately reflect receipts will result in a reduction in the required General Fund appropriation.			
Total Legislative Changes	(\$301,845)	R	(\$301,845) R
Total Position Changes			
Revised Budget	\$11,864,673		\$11,864,673

Treasurer

		GENERAL FUND	
		FY 2001-02	FY 2002-03
Recommended Budget		\$7,837,007	\$7,837,007
Legislative Changes			
1210 Investment Management			
39 Reduce Operating Budget		(\$620,190) R	(\$620,190) R
Reduces the operating budget for financial and audit services.			
1410 Retirement System			
40 Replace Retirement Imaging System			
Provides funding to convert to a different imaging system. The vendor of the existing system will not provide for the maintenance beyond the end of the calendar year. Conversion of the system will require a nonrecurring expenditure of \$2,465,000 and a recurring expenditure of \$136,000 for maintenance cost. All expenditures will be funded with receipts.		\$0 NR	\$0 NR
73410-7310 Computer Operations			
41 Provide Backup Hot-Site for Disaster Recovery		\$0 R	\$0 R
Allows the implementation of a backup hot-site for mission critical applications for disaster recovery purposes. The one-time expenditures are for computer services (\$100,000) and computer equipment (\$170,000) and the recurring expenditures are for system implementation/integration services (\$180,000) and travel (\$30,000) to the out-of-state site for periodic testing of the backup system. All funding will be from the internal service fund.			
Total Legislative Changes		(\$620,190) R	(\$620,190) R
		\$0 NR	\$0 NR
Total Position Changes			
Revised Budget		\$7,216,817	\$7,216,817

Treasurer - Retirement for Fire and Rescue Squad Workers

GENERAL FUND

	FY 2001-02		FY 2002-03	
Recommended Budget	\$12,294,780		\$12,294,780	
Legislative Changes				
1412 Gen Fund Contribution to Fire Pension Fund				
42 Reduce Contribution to Fire Pension				
Reduces the General Fund contribution to the Firemen's Pension Fund.	(\$2,077,883)	NR		
1432 Line of Duty Death Benefit				
43 Increase Death Benefit Funding	\$85,000	R	\$85,000	R
Increases the funding for Line of Duty Death Benefits paid, pursuant to G.S. 143-12A, to survivors of eligible persons killed in the line of duty. The increased funding is due to the increases in the number of line of duty deaths.				
Total Legislative Changes	\$85,000	R	\$85,000	R
	(\$2,077,883)	NR		
Total Position Changes				
Revised Budget	\$10,301,897		\$12,379,780	

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Insurance

GENERAL FUND

	FY 2001-02	FY 2002-03
Recommended Budget	\$23,392,288	\$23,392,288

Legislative Changes

1100 Administration

44 Operating Budget Adjustments

(\$4,000) R (\$4,000) R

Reduces the operating budgets in the following line items:

Repairs - Buildings	(\$312)
Repairs - Computers	(\$500)
Travel	(\$2,580)
Office Furniture	(\$214)
Office Equipment	(\$118)
Computer Equipment	(\$276)

1200 Company Services

45 Reduce Operating Budget

(\$96,414) R (\$96,414) R

Reduces operating budgets in the following line items:

Information Technology Services	(\$500)
Maintenance Agreement-Equipment	(\$7,590)
Maintenance Agreement-Software	(\$6,715)
Travel	(\$24,841)
Telephone Service	(\$1,000)
Printing, Binding, Duplicating	(\$2,904)
Registration Fees	(\$6,675)
Other Employee Educational Expense	(\$14,247)
Office Furniture	(\$13,182)
Office Equipment	(\$610)
Computer Equipment	(\$14,150)
Computer Software	(\$4,000)

1300 Technical Services Group

46 Operating Budget Reductions

(\$62,533) R (\$62,533) R

Reduces the operating budgets in the following line items:

Repairs - Buildings	(\$470)
Travel	(\$27,074)
Telephone Service	(\$2,396)
Postage, Freight, Delivery	(\$1,037)
Printing, Binding, Duplicating	(\$9,604)
Advertising	(\$1,320)
Office Furniture	(\$12,250)
Computer Equipment	(\$8,132)
Computer Software	(\$250)

Insurance

1400 Public Service Group**47 Operating Budget Reduction**

(\$48,708) R

(\$48,708) R

Reduces operating budgets in the following line items:

Maintenance Agreement	(\$500)
Travel	(\$33,890)
Telecommunication Data Charge	(\$5,000)
Computer/Data Processing Service	(\$2,845)
Printing, Binding, Duplicating	(\$4,028)
Registration Fees	(\$400)
Office Furniture	(\$1,433)
Office Equipment	(\$612)

48 Provides Funding to Implement External Review

\$136,449 R

\$398,264 R

Provides funding to implement the external review provisions of SB 199, Managed Care Patients' Bill of Rights. The funding will cover start-up and operating cost as well as the salaries and benefits for a director (effective January 1, 2002), an Insurance Regulatory Analyst II and a Grade 59 support position (both effective February 1, 2002), and an Insurance Regulatory Analyst I (effective April 1, 2002). The funding is appropriated only if SB 199 becomes law.

\$34,300 NR
4.00

4.00

1500 Office of State Fire Marshall**49 Operating Budget Reductions**

(\$51,345) R

(\$51,345) R

Reduces operating budgets in the following line items:

Administrative Services	(\$9,845)
Travel	(\$2,500)
Postage, Freight, Delivery	(\$12,500)
Printing, Binding, Duplicating	(\$2,500)
Educational Supplies	(\$1,500)
Computer Software	(\$22,500)

1900 Reserves and Transfers**50 Increase Transfer to the Consumer Protection Fund**

\$450,000 NR

Increases the transfer to the Consumer Protection Fund (23900-2001) to cover the increase in cost of hiring external consultants and experts to testify in rate hearings when the insurance industry requests rate increases. The increase in cost is attributable to the increase in the number of filings which are expected to result in hearings in fiscal year 2001-2002.

Total Legislative Changes	(\$126,551)	R	\$135,264	R
	\$484,300	NR		
Total Position Changes	4.00		4.00	
Revised Budget	\$23,750,037		\$23,527,552	

**Insurance - Volunteer Safety Workers'
Compensation Fund**

GENERAL FUND

	FY 2001-02	FY 2002-03
Recommended Budget	\$4,500,000	\$4,500,000
Legislative Changes		
1900 Reserves and Transfers		
51 Volunteer Safety Workers' Compensation Fund		
Reduces the General Fund appropriation to the Volunteer Safety Workers' Compensation Fund for fiscal year 2001-2002.	(\$3,450,000)	NR
Total Legislative Changes	(\$3,450,000)	NR
Total Position Changes		
Revised Budget	\$1,050,000	\$4,500,000

Administration

GENERAL FUND

	FY 2001-02		FY 2002-03	
Recommended Budget	\$61,078,651		\$61,078,651	
Legislative Changes				
1111 Office of the Secretary				
52 Reduce Personnel	(\$41,757)	R	(\$41,757)	R
Abolishes vacant Administrative Assistant position as recommended by the Governor.	-1.00		-1.00	
53 Appalachian Regional Commission	(\$190,080)	R	(\$190,080)	R
Replaces appropriated funds with Highway Funds for the Highway's portion of the Appalachian Regional Commission assessment dues.				
1111-1116 HUB Office				
54 Office of Historically Underutilized Businesses	\$270,000	NR		
Provides funding for the operations of the Office of Historically Underutilized Businesses (HUB). Funding will also be used for outreach efforts on the contracting opportunities available to HUB vendors resulting from the 2000 Higher Education Bond Program.				
1121 Office of Fiscal Management				
55 Reduce Personnel	(\$27,670)	R	(\$27,670)	R
Abolishes one Processing Assistant III position in the Departmental Supply Store. The employee has been reassigned.	-1.00		-1.00	
1122 Human Resources Management				
56 State Employee Incentive Bonus Program	(\$114,997)	R	(\$114,997)	R
Changes the funding for the two positions responsible for administering the State Employee Incentive Bonus Program from appropriation support to receipt-support. A Special Provision directs that ten percent of the savings from employee suggestions are to go the Department for administration of the program.	0.00		0.00	

1311 Office of State Personnel**57 Personnel Reductions**

(\$451,566)	R	(\$451,566)	R
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Abolishes nine (9) vacant positions and related benefits:

-9.00		-9.00	
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5 Human Resource Consultants-

#4000-0100-0004-619 - (\$71,762)

#4000-0301-0004-330 - (\$36,664)

#4000-1200-0004-997 - (\$54,072)

#4000-0100-0004-422 - (\$58,899)

#4000-0100-0004-990 - (\$52,915)

Human Resources Manager-#4000-0201-0004-030 - (\$72,092)

Processing Assistant-#4000-0202-0004-124 - (\$32,328)

Office Assistant IV-#4000-0100-0004-755 - (\$30,663)

Office Assistant V-#4000-0600-0004-166 - (\$33,207)

(Eliminates the PREPARE Program)

Eliminate management layers for the following positions:

#4000-0301-0004-302, HR Executive - (\$5,565)

#4000-0301-0004-262, HR Manager - (\$3,399)

58 Operating Budget Adjustments

\$172,540	R	\$172,540	R
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Adjusts funds in the following accounts each fiscal year:

532170 Administrative Services - (\$10,000)

532199 Misc. Contracts - (\$1,950)

532400 Maintenance Agreements - (\$625)

532700 Travel - (\$4,668)

532800 Comm & Data Processing - \$200,000

532850 Printing - (\$5,000)

532860 Advertising - (\$1,000)

532930 Registration Fees - (\$727)

534500 Equipment - (\$3,490)

59 Program Personnel

(\$27,817)	R	(\$27,817)	R
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Combines an Applications Analyst Programmer II- #4000-0202-0004-051 (\$45,478) and Applications Analyst Programmer I- #4000-0202-0004-948 (\$52,873) positions and creates a new Applications Analyst Programmer II at pay grade 74 with salary and benefits of \$70,533. Adjustment in salary and benefits provides a reduction of (\$27,817).

-1.00		-1.00	
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1623 State Capitol Police**60 Reduce Personnel**

(\$30,210)	R	(\$30,210)	R
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Abolishes vacant Police Officer II position currently responsible for providing safety awareness to State agencies.

-1.00		-1.00	
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1731 North Carolina Council for Women**61 Reduce Operating Budget**

(\$7,000)	R	(\$7,000)	R
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Reduces miscellaneous contractual services.

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62 Domestic Violence Prevention Funds

\$1,000,000 R

\$1,000,000 R

Provides funding for grants to domestic violence programs as recommended by the Governor.

63 Sexual Assault Funds

\$225,000 R

\$225,000 R

Provides funding, as recommended by the Governor, for the continuation of sexual assault programs and the prevention of sexual assault within the state

1783 Governor's Domestic Violence Commission**64 Reduce Personnel**

(\$110,349) R

(\$110,349) R

Eliminates the positions of Executive Director and Administrative Secretary in the Domestic Violence Commission as recommended by the Governor. The responsibilities of the Commission will be consolidated with those of the NC Council for Women. The employee in the Executive Director's position will be transferred to the Council. The Administrative Secretary's position is vacant.

-2.00

-2.00

1810 Ethics Board**65 Reduce Operating Budget**

(\$12,000) R

(\$12,000) R

Reduces miscellaneous contractual services (\$10,000) and travel (\$2,000).

1871 Board of Science and Technology**66 Transfer Board of Science and Technology**

(\$371,302) R

(\$371,302) R

Transfers the Board of Science and Technology, including 3 positions (Executive Director, Administrative Secretary III, and Education Consultant), to the Department of Commerce. Special provision recodifies the statutory authority of the Board as established in Part 27 of Article 9 of Chapter 143B of the General Statutes to Part 18 of Article 10 of Chapter 143B of the General Statutes.

-3.00

-3.00

67 Abolish Positions

(\$111,014) R

(\$111,014) R

Abolishes vacant Deputy Director position and the Administrative Officer I position as recommended by the Governor.

-2.00

-2.00

68 Reduce Personnel and Grant Funding

(\$155,410) R

(\$155,410) R

Eliminates a Social Research Assistant II position and all research grant funding.

-1.00

-1.00

Department Wide**69 Reduce Printing**

(\$10,000) R

(\$10,000) R

Reduces the printing budget throughout the Department. The Department will implement electronic forms and communication were possible.

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Total Legislative Changes	(\$263,632)	R	(\$263,632)	R
	\$270,000	NR		
Total Position Changes	-21.00		-21.00	
Revised Budget	\$61,085,019		\$60,815,019	

State Controller

GENERAL FUND

	FY 2001-02		FY 2002-03	
Recommended Budget	\$11,817,271		\$11,817,271	
Legislative Changes				
1000 Departmentwide				
70 1211 Salaries and Wages	(\$97,437)	R	(\$97,437)	R
Abolishes vacant Accounting Clerk III # 5009-0000-0000-110 and Data Base Analyst # 5008-0000-0000-065 positions with a reduction in salary and related benefits.	-2.00		-2.00	
71 Operating Budget Adjustments	(\$195,966)	R	(\$195,966)	R
Reduces the following line items each year of the biennium:				
5327XX Travel - (\$6,000)				
532821 Data Processing Services - (\$179,966)				
532850 Printing, Binding, Duplicating - (\$5,000)				
534521 Office Equipment - (\$5,000)				
Total Legislative Changes	(\$293,403)	R	(\$293,403)	R
Total Position Changes	-2.00		-2.00	
Revised Budget	\$11,523,868		\$11,523,868	

Revenue

GENERAL FUND

	FY 2001-02	FY 2002-03
Recommended Budget	\$76,967,284	\$76,967,284

Legislative Changes

1600 Administration

72 Adjust Personnel

(\$67,420)	R	(\$67,420)	R
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Abolishes vacant Staff Development Coordinator position,
#4771-0000-0020-410 and related benefits.

-1.00	-1.00
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1602 Security

73 Adjust Personnel

(\$23,630)	R	(\$23,630)	R
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Abolishes vacant Processing Assistant III position, # 4791-
0000-0024-010 and related benefits.

-1.00	-1.00
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1605 Planning, Development, and Technology

74 Operating Budget Adjustments

(\$809,714)	R	(\$809,714)	R
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Reduces the following accounts each fiscal year:

531311 Temporary Wages - (\$60,000)
 531411 OT Pay - (\$20,000)
 531431 Shift Premium Pay - (\$10,000)
 531511 Social Security - (\$6,885)
 531521 Retirement - (\$2,403)
 532140 System Implementation - (\$250,000)
 532310 Repairs - (\$9,092)
 532512 Rent/Lease Buildings/Offices - (\$5,000)
 532712 Trans. Air/Out of State - (\$10,000)
 532715 Trans. Ground/Out of State - (\$5,000)
 532722 Lodging/Out of State - (\$5,000)
 532821 Computer/Data Processing Svs - (\$250,000)
 532860 Advertising - (\$10,000)
 533110 Gen Office Supplies - (\$6,334)
 533120 Data Processing Supplies - (5,000)
 534511 Office Furniture - (\$30,000)
 534521 Office Equipment - (\$25,000)
 534522 Equipment/Computers - (\$75,000)
 534710 Computer Software - (\$25,000)

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FY 2002-03

75 Project Collect Tax

Provides funds for an Applications Programmer II and Applications Analyst Programmer Specialist, effective November 1, 2001, equipment, and operating expense:

\$97,232	R	\$755,262	R
\$193,600	NR		
2.00		2.00	

	FY 01-02	FY 02-03
531211 Salaries	\$ 81,279	\$121,919
531511 Social Security	6,218	9,327
531521 Retirement	6,511	9,766
531561 Med Ins	3,008	4,512
532140 Contractual Svs	-0-	600,000
532821 Computer/Data Proc	216	9,738
532440 Maint Agree/DP Equip	7,800	
532441 Maint Agree/Software	7,800	
534521 Office Equipment	18,000	
534522 Computer Equipment	156,000	
534528 Communications Equip	4,000	

1607 Tax Research**76 Personnel and Operating Budget Adjustments**

Eliminates salary and benefits for a vacant Statistical Assistant V position, #4774-0000-0040-312 (\$28,263, and reduce funds in the following accounts each fiscal year:

(\$58,126)	R	(\$58,126)	R
-1.00		-1.00	

531311 Temporary Wages - (\$27,740)
531511 Social Security - (\$2,123)

1621 Corporate, Excise & Insurance**77 Adjust Operating Budget**

Reduces funds in the following accounts each year:

531311 Temporary Wages - (\$10,000)
531511 Social Security - (\$765)

(\$10,765)	R	(\$10,765)	R
------------	---	------------	---

1627 Sales & Use**78 Adjust Operating Budget**

Reduces funds in the following accounts each year:

531311 Temporary Wages - (\$6,000)
531511 Social Security - (\$459)

(\$6,459)	R	(\$6,459)	R
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1629 Property Tax**79 Additional Personnel**

Appropriates funds for salary, benefits, operating expense, office furniture and equipment to support a Property Tax Valuation Specialist I position, effective November 1, 2001. The cost associated with the position will be reimbursed through the allowance for administrative cost available per G.S.105-501 in the year subsequent to the year the cost is incurred.

\$42,624	R	\$63,936	R
\$9,600	NR		
1.00		1.00	

Revenue

1641 Office Examination**80 Personnel and Budget Adjustments**

(\$237,744)	R	(\$237,744)	R
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Makes the following adjustments in the division's budget each fiscal year:

-4.00	-4.00
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Eliminate four (4) vacant positions - (\$85,117)

3 Processing Assistant III - #4782-0000-0065-729,
#4782-0000-0065-733, and #4782-0000-0065-829

1 Processing Assistant V - #4784-0000-0076-551

531311 Temporary Wages - (\$100,000)

531511 Social Security - (\$15,769)

531521 Retirement - (\$6,818)

531561 Med Insurance - (\$9,024)

531625 State Disability Payments - (\$21,016)

1643 Office Services (Taxpayer Assistance)**81 Personnel and Operating Adjustments**

(\$70,954)	R	(\$70,954)	R
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Abolishes two (2) vacant Processing Assistant III positions - #4782-0000-0065-415 (\$25,794) and #4782-0000-0065-768 (\$23,630), reduce temporary wages (531311) and adjust related benefits.

-2.00	-2.00
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82 Project Collect Tax

\$126,271	R	\$189,406	R
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Appropriates funds to add 6 Tax Technician positions, effective November 1, 2001 with related benefits:

6.00	6.00
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	FY 01-02	FY 02-03
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531211 Salaries	\$101,372	\$152,058
531511 Social Security	7,755	11,632
531521 Retirement	8,120	12,180
531561 Med Ins	9,024	13,536

1660 Field Operations (Examination & Collection)**83 Personnel and Operating Budget Adjustments**

(\$19,882)	R	(\$19,882)	R
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Reduces temporary wages (531311) and social security (531511).

84 Project Collect Tax

\$354,538	R	\$584,605	R
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In the Central Collections Unit provides funding to support an Officer Manager II and 2 Revenue Officer II positions effective November 1, 2001, and 13 Tax Technicians effective December 1, 2001, with related benefits and operating expense:

\$5,000	NR	16.00
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	FY 02-01	FY 02-03
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531211 Salaries	\$285,248	\$469,055
531511 Social Security	21,822	35,883
531521 Retirement	22,848	37,571
531561 Med Ins	21,620	36,096
532714 Transportation	3,000	6,000
532950 Emp Moving Expense	5,000	

Revenue

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FY 2001-02

FY 2002-03

85 Project Collect Tax

\$783,206 R

\$1,181,059 R

Appropriates funds to support 20 Revenue Officer I and 8 Information Processing Technician positions effective November 1, 2001 with related benefits and operating expense; and employs under contract 12 retirees, effective October 1, 2001:

\$145,800 NR
28.00

28.00

FY 01-02

FY 02-03

531211 Salaries	\$621,299	\$931,948
531511 Social Security	47,529	71,294
531521 Retirement	49,766	74,649
531561 Med Ins	42,112	63,168
532199 Misc Cont Svs	145,800	-0-
532714 Transportation	22,500	40,000

1670 Unauthorized Substance Tax**86 Operating Budget Adjustment**

(\$26,530) R

(\$26,530) R

Reduces the following accounts each fiscal year:

531311 Temporary Wages - (\$20,000)
531511 Social Security - (\$1,530)
535890 Other Administrative Services - (\$5,000)

1681 Administrative Services**87 Operating Budget Adjustments**

(\$461,514) R

(\$461,514) R

Reduces the following accounts each fiscal year:

532199 Misc. Contractual Services - (\$65,985)
532430 Maintenance Agreements/Equipment - (\$34,411)
532821 Computer/Data Process Service - (\$20,000)
532840003 Post, Freight & Del/Postage Meter - (\$58,547)
532850001 Print Official Statements - (\$23,625)
532930 Registration Fees - (\$15,000)
532942 Other Employee Ed Exp - (\$126,833)
533120 Data Processing Supplies - (\$50,000)
533900 Other Materials & Supplies - (\$20,000)
534521 Office Equipment - (\$22,113)
535830 Membership Dues & Subscriptions - (\$25,000)

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FY 2002-03

88 Project Collect Tax

\$194,285 R

\$138,325 R

Increases funds to support positions employed for the project:

\$105,200 NR

FY 01-02

FY 02-03

532811 Telephone Service \$ 11,754 \$ 18,200
 (@ \$350 per position,
 39 eff.11/1/01 and 13 eff.
 12/1/01)

Long Distance Svs 50,000 60,000

532840003 Postage/Fr/Del 109,220 32,280

533110 Supplies 16,792 26,000
 (@ \$500 per position,
 39 eff.11/1/01 and 13 eff.
 12/1/01)

Envelopes and Paper
 for Notices 6,519 1,845

534511 Office Furniture 100,000

534521 Office Equipment 5,200

1683 Financial Services**89 Operating Budget Adjustments**

(\$20,454) R

(\$20,454) R

Adjusts the following accounts each fiscal year:

531311 Temporary Wages - (\$10,000)

531511 Social Security - (\$1,454)

531625 Eliminate State Disability Payments - (\$9,000)

1685 Documents & Payments Processing**90 Personnel and Operating Budget Adjustments**

(\$110,981) R

(\$110,981) R

Makes the following adjustments in the division's budget:

-4.00

-4.00

Eliminate four (4) vacant positions - (\$86,388)
 3 Data Entry Specialists - #4787-0000-0090-883,
 #4787-0000-0090-882, and #4787-0000-0090-889
 1 Processing Assistant III - #4787-0000-009-109

531511 Social Security (\$6,754)

531521 Retirement (\$6,920)

531561 Med Insurance (\$9,024)

531625 Eliminate State Disability Payments - (\$1,895)

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FY 2002-03

Total Legislative Changes	(\$326,017)	R	\$988,420	R
	\$459,200	NR		
Total Position Changes	40.00		40.00	
Revised Budget	\$77,100,467		\$77,955,704	

Cultural Resources

GENERAL FUND

	FY 2001-02		FY 2002-03	
Recommended Budget	\$60,840,696		\$60,840,696	
Legislative Changes				
1110 Office of the Secretary				
91 Budget Adjustment	(\$10,860)	R	(\$10,860)	R
Reduces funds for miscellaneous contractual services (532199).				
1120 Administrative Services				
92 Adjust Operating Budget	(\$9,842)	R	(\$9,842)	R
Reduces funds for computers equipment (534522).				
1210 Archives & History/Director's Office				
93 Operating Budget Adjustments	(\$14,942)	R	(\$14,942)	R
Reduces the following accounts each fiscal year:				
531311 Temp Wages - (\$1,500)				
531511 Social Security - (\$115)				
532199 Misc. Contractual Services - (\$4,759)				
532731 BD/Non-employee Trans - (\$500)				
532732 BD/Non-employee Subsistence - (\$500)				
535830 Membership Dues - (\$500)				
536901 First Flight Commission - (\$7,068)				
94 Queen Anne's Revenge	\$250,000	NR		
Provides funding only for continued work on the recovery and conservation of the artifacts from the shipwreck believed to be Blackbeard's flagship, Queen Anne's Revenge.				
1220 Historical Publications				
95 Budget Adjustment	(\$6,461)	R	(\$6,461)	R
Reduces funding for printing, binding and duplication (532850).				

1230 Archives and Records

96 Operating Budget Adjustments

(\$28,077) R

(\$28,077) R

Reduces the following accounts each fiscal year:

- 532199 Misc. Contractual Services - (\$3,000)
- 532210 Electricity - (\$2,577)
- 532731 BD/Non-employee Trans. - (\$2,000)
- 532732 BD/Non-employee Subsistence - (\$1,000)
- 532850 Printing, Binding & Duplication - (\$6,000)
- 532850 Advertising - (\$5,500)
- 533900 Other Materials/Supplies - (\$5,000)
- 534539 Other Equipment - (\$3,000)

97 Digitization of Public Records

Provides funds to complete Information Technology project planning and for IRMC Project Certification related to digitization of public records (532140).

\$50,000 NR

1241 State Historic Sites

98 Operating Budget Adjustment

(\$360,315) R

(\$360,315) R

Reduces the following accounts each fiscal year:

- 532199 Misc. Contractual Services - (\$130,000)
- 532512 Rent/Lease-Buildings or Offices - (\$7,000)
- 532721 Lodging/In State - (\$20,000)
- 532724 Meals/In State - (\$10,000)
- 532942 Other Emp. Ed Expense - (\$8,000)
- 533900 Other Materials & Supplies - (\$4,315)
- 534511 Office Furniture - (\$10,000)
- 534541 Motor Vehicles - (\$71,000)
- 534549 Art & Artifacts - (\$100,000)

1242 Tryon Palace

99 Adjust Operating Budget

(\$15,273) R

(\$15,273) R

Reduces the following accounts:

- 532310 Building Repairs - (\$2,684)
- 532390 Other Repairs - (\$1,056)
- 532490 Maintenance/Service Contracts - (\$1,386)
- 532919 Other Insurance - (\$1,656)
- 533900 Other Supplies & Materials - (\$4,999)
- 534511 Office Furniture - (\$1,000)
- 534539 Other Equipment - (\$2,492)

1243 State Capitol

100 Budget Adjustment

(\$4,161) R

(\$4,161) R

Reduces the following accounts:

- 531311 Temporary Wages - (\$3,900)
- 531321 Social Security - (\$261)

1245 NC Maritime Museum**101 Operating Budget Adjustment**

(\$32,155) R

(\$32,155) R

Reduces funds in the following accounts each fiscal year:

532182 Laundry Service Agreement - (\$100)
 532320 Repairs/Other Structures - (\$2,000)
 532512 Office Rent/Lease - (\$22,791)
 532521 Rent/Lease-Motor Vehicles - (\$400)
 532524 Rent/Lease Gen. Office Equip. - (\$100)
 532850 Printing, Binding, & Dup - (\$1,000)
 532912 Motor Vehicle Insurance - (\$1,500)
 532913 Liability Insurance - (\$2,000)
 533900 Other Materials & Supplies - (\$2,000)
 534539 Other Equipment (\$264)

1250 Historic Preservation**102 Operating Budget Adjustments**

(\$12,893) R

(\$12,893) R

Reduces the following accounts each fiscal year:

532199 Misc. Contractual Services - (\$1,858)
 532390 Repairs - (\$650)
 532714 Trans/In State - (\$1,946)
 532715 Trans/Out of State - (\$100)
 532721 Lodging/In State - (\$247)
 532724 Meals/In State - (\$600)
 532725 Meals/Out of State - (\$235)
 532727 Misc./In State - (\$795)
 532728 Misc./Out of State - (\$1,150)
 532731 BD/Non-employee Trans. - (\$431)
 532732 BD/Non-employee Subs. - (\$200)
 532850 Printing, Binding, & Dup. - (\$900)
 532942 Other Employee Ed Exp. - (\$326)
 533110 General Office Supplies - (\$50)
 533900 Other Materials & Supplies - (\$1,435)
 534511 Office Furniture - (\$1,822)
 534539 Other Equipment - (\$148)

1290 Western Office**103 Budget Adjustment**

(\$2,956) R

(\$2,956) R

Reduces funding for In-state transportation (532714).

1320 Museum of Art**104 Operating Budget Adjustments**

(\$49,923) R

(\$49,923) R

Reduces funds in the following accounts:

532199 Misc. Contractual - (\$16,560)
 532512 Rent/Lease Building - (\$5,345)
 532590 Rent/Lease Other - (\$800)
 532711 Tran Air/In State - (\$100)
 532712 Tran Air/Out of State - (\$125)
 532714 Trans Ground/In State - (\$2,000)
 532715 Trans Ground/Out of State - (\$294)
 532716 Trans Ground/Out of Country - (\$200)
 532722 Lodging/Out of State - (\$1,000)
 532723 Lodging/Out of Country - (\$739)
 532725 Meals Out of State - (\$500)
 532726 Meals Out of Country - (\$300)
 532728 Misc/Out of State - (\$2,000)
 532729 Misc/Out of Country - (\$500)
 532811 Telephone Service - (\$1,440)
 532850 Printing, Binding, & Dup - (\$1,020)
 533990 Other Supplies & Materials - (\$17,000)

105 Art Exhibit

Appropriates funds for an exhibit scheduled May 18 - July 28,
 2002 -- Empire of the Sultans: Ottoman Art from the Khalili
 Collection.

\$250,000 NR

1330 NC Arts Council**106 Operating Budget Adjustments**

(\$156,487) R

(\$156,487) R

Reduces funds in the following grant programs:

536948 Lost Colony - (\$6,097)
 536971 Shakespeare Festival - (\$6,097)
 536990 Basic Grants - (\$90,926)
 536996 Grassroots Arts - (\$53,367)

107 Grassroots Arts Program

Provides funds for one-time increase in continuation budget
 for grants to local arts councils (536996).

\$250,000 NR

1340 NC Symphony**108 Budget Adjustment**

(\$2,962) R

(\$2,962) R

Reduces funds for postage (532840).

1360 Grants in Aid to Arts**109 Operating Budget Adjustments**

(\$35,946) R

(\$35,946) R

Reduces budgets each year for:

536932 Vagabond School of Drama - (\$1,134)
 536935 NC State Art Society - (\$182)
 536936 NC Symphony Society - (\$34,630)

Cultural Resources

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1410 State Library Services**110 Budget Reductions**

(\$13,792) R

(\$13,792) R

Reduces funds in the following accounts:

532850 Printing, Binding, & Duplication - (\$3,250)

534630 Library Learning Resources - (\$10,542)

1480 State Library Statewide Programs**111 Budget Adjustments**

(\$170,091) R

(\$170,091) R

Reduces the following accounts:

532812 Telecommunication Services - (\$26,078)

536960 Aid to Counties - (\$144,013)

1500 Museum of History**112 Operating Budget Adjustments**

(\$486,141) R

(\$486,141) R

Eliminates funds for nine vacant positions and reduces funding in the following accounts each fiscal year:

-9.00

-9.00

531211 Salaries - (\$107,714)

531511 Social Security - (\$8,240)

531521 Retirement - (\$8,628)

531561 Medical Insurance - (\$9,024)

532310 Building Repairs - (\$127,478)

534511 Office Equipment - (\$12,357)

534539 Other Equipment - (\$212,700)

Total Legislative Changes

(\$1,413,277) R

(\$1,413,277) R

\$800,000 NR

Total Position Changes

-9.00

-9.00

Revised Budget

\$60,227,419

\$59,427,419

Cultural Resources - Roanoke Island Commission

GENERAL FUND

	FY 2001-02		FY 2002-03	
Recommended Budget	\$1,907,245		\$1,907,245	
Legislative Changes				
Roanoke Island Commission				
113 Operating Budget Adjustment	(\$47,782)	R	(\$47,782)	R
Reduces amount of funding transferred to Special Fund.				
Total Legislative Changes	(\$47,782)	R	(\$47,782)	R
Total Position Changes				
Revised Budget	\$1,859,463		\$1,859,463	

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State Board of Elections

GENERAL FUND				
	FY 2001-02		FY 2002-03	
Recommended Budget	\$3,271,453		\$3,271,453	
Legislative Changes				
1100 Administration				
114 Reduce Operating Budget	(\$85,184)	R	(\$85,184)	R
Reduces the operating budget in the printing line items				
Total Legislative Changes	(\$85,184)	R	(\$85,184)	R
Total Position Changes				
Revised Budget	\$3,186,269		\$3,186,269	

Office of Administrative Hearings

GENERAL FUND

	FY 2001-02		FY 2002-03	
Recommended Budget	\$2,908,088		\$2,908,088	
Legislative Changes				
1100 Administration & Operations				
115 1211 Salaries and Wages	(\$70,067)	R	(\$70,067)	R
Abolishes vacant positions - Clerk-Typist position in the Civil Rights Division - # 8210-1100-0000-061 (\$29,775) and Accounting Technician V in the Administration Division - # 8210-1100-0000-007 (\$40,292) and related benefits.	-2.00		-2.00	
116 Operating Budget Adjustments	(\$29,000)	R	(\$29,000)	R
Reduces funding in the following line items each year of the biennium:				
532110 Legal Service - (\$4,000)				
532140 System Implement/Integration Services - (\$11,506)				
532440 Maintenance Agreement-DP Equipment - (\$640)				
532441 Maintenance Agreement/Software - (\$11,854)				
535830 Membership/Subscription - (\$1,000)				
117 432101 Receipts - Federal Reimbursement	(\$13,866)	R	(\$13,866)	R
Increases federal receipts.				
Total Legislative Changes	(\$112,933)	R	(\$112,933)	R
Total Position Changes	-2.00		-2.00	
Revised Budget	\$2,795,155		\$2,795,155	

Rules Review Commission

GENERAL FUND

	FY 2001-02		FY 2002-03	
Recommended Budget	\$334,085		\$334,085	
Legislative Changes				
1100 Administration				
118 Personal Services	(\$8,290)	R	(\$8,290)	R
Reduces funds each year of the biennium in the following accounts:				
531651 Board Member Compensation - (\$2,000)				
532512 Rent/Lease - (\$250)				
532712 Transportation/Out of State - (\$500)				
532722 Lodging/Out of State - (\$500)				
532725 Meal/Out of State - (\$200)				
532811 Telephone Service - (\$1,600)				
532850 Printing, Binding, Duplicate - (\$500)				
532930 Registration Fees - (\$250)				
534511 Office Furniture - (\$700)				
534521 Office Equipment - (\$200)				
534522 Computer Equipment - (\$1,000)				
534630 Library and Learning - (\$500)				
534710 Computer Software - (\$90)				
Total Legislative Changes	(\$8,290)	R	(\$8,290)	R
Total Position Changes				
Revised Budget	\$325,795		\$325,795	

TRANSPORTATION

Section K

Transportation

		GENERAL FUND	
		FY 2001-02	FY 2002-03
Recommended Budget		\$17,753,426	\$14,486,443
Legislative Changes			
Aeronautics and Global Transpark			
(1200) Airport Grants			
1 Reduce General Fund Support			
Reduces General Fund Airport Grant Program by \$5 million, to be offset by increase in funding from Highway Fund, as recommended by Governor.		(\$5,000,000) NR	
Global TransPark			
2 Global TransPark Reduction			
Reduction recommended by the Governor.		(\$1,660,709) NR	
3 Global TransPark Operating Reduction			
	2001-2002 2002-2003	(\$1,062,717) R	(\$1,093,102) R
GTP Administration	\$424,451 \$433,641		
State Match/Runway	(\$1,116,742) (\$1,094,350)		
Airport Operations	(\$124,795) (\$157,987)		
Education and Training			
Center Operations	(\$115,247) (\$134,807)		
Marketing	(\$54,749) (\$56,939)		
Land Use Planning	(\$75,635) (\$82,660)		
Total Legislative Changes		(\$1,062,717) R	(\$1,093,102) R
		(\$6,660,709) NR	
Total Position Changes			
Revised Budget		\$10,030,000	\$13,393,341

Transportation

		HIGHWAY FUND	
		FY 2001-02	FY 2002-03
Recommended Budget		\$1,204,477,503	\$1,211,720,525
Legislative Changes			
Construction and Maintenance			
(5180) Construction - Contingency			
4 Small Urban and Rural Projects			
Provides additional funding for small urban and rural highway construction.	\$5,000,000	NR	
(5240) Maintenance - Contract Resurfacing			
5 Restore Contract Resurfacing Funds	\$7,000,000	R	\$7,000,000 R
Restores funding to FY 2001 levels. FY 2001 budget contained \$7,000,000 in nonrecurring funding.			
6 Increase Contract Resurfacing Funds	\$18,434,582	R	\$18,434,582 R
Increases contract resurfacing funding over funding from previous years.			
(5400) Capital Improvements			
7 Repair and Renovation			
Provides funds for repair and renovation of the Department's facilities.	\$1,634,000	NR	
(5940) Rail Program			
8 Partially Restore Rail Funding	\$2,000,000	R	\$2,000,000 R
Partially restores funding to FY 2001 levels. FY 2001 budget contained \$12,932,088 in nonrecurring funding.	\$5,550,000	NR	
	2001-2002	2002-2003	
Western NC Service (NR)	\$ 550,000		
Raleigh-Charlotte	\$2,000,000	\$2,000,000	
Raleigh-Charlotte (NR)	\$5,000,000		
9 Charlotte Station			
Funds remaining land acquisition for new multi-modal station in Charlotte.	\$15,000,000	NR	
(5950) Airport Program			
10 Airport Grants			
Replaces General Fund support for airport grants with Highway Fund appropriation.	\$5,000,000	NR	

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FY 2002-03

(5970) Public Transportation Program**11 Restore Public Transportation Funding**

\$15,621,993 R \$15,621,993 R

Restores funding to FY 2001 levels. FY 2001 budget contained \$15,621,993 in nonrecurring funding.

	2001-2002	2002-2003
Rural Capital	\$1,150,000	\$1,150,000
Rural Operating	\$2,650,000	\$2,650,000
Elderly & Disabled	\$900,000	\$900,000
Urban & Regional Maint.	\$1,921,993	\$1,921,993
New Starts	\$9,000,000	\$9,000,000

12 Replace Federal Funds

\$10,000,000 R \$10,000,000 R

Replaces federal funds with State Highway Fund money. \$10,000,000 of federal Congestion, Mitigation and Air Quality Funding that is being replaced will be redirected to the Transportation Improvement Program (TIP).

	2001-2002	2002-2003
Rural Operating	\$600,000	\$600,000
Human Service	\$400,000	\$400,000
New Starts	\$8,000,000	\$8,000,000
Urban & Reg. Tech.	\$1,000,000	\$1,000,000

13 Increase Public Transportation Funding

\$13,713,913 R \$13,713,913 R

Increases public transportation funding over funding from previous years.

	2001-2002	2002-2003
Rural Capital	\$1,400,000	\$1,400,000
Rural Operating	\$1,400,000	\$1,400,000
Elderly & Disabled	\$500,000	\$500,000
Urban & Regional Maint.	\$4,007,259	\$4,007,259
New Starts	\$6,406,654	\$6,406,654

Governor's Highway Safety Program**(0410) Governor's Highway Safety****14 Transfer Program**

(\$90,584) R (\$90,584) R

Transfers program to DOT Secretary's Office. Eliminates 1 vacant position currently funded under Governor's Highway Safety Program and funds 3 positions wholly out of federal funds.

-1.00 -1.00

Division of Motor Vehicles**(0510) Commissioner's Office****15 Eliminate 54 Positions within DMV**

(\$2,062,747) R (\$2,062,747) R

-54.00 -54.00

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FY 2002-03

(0520) Vehicle Registration**16 Increase payment to contract agents**

\$840,000 R

\$840,000 R

Provides a 6% increase in the fees paid to contract agents.

Reserves**(6270) Crime Control and Public Safety****17 Adjust Equipment Budget**

(\$875,000) R

(\$875,000) R

Eliminates funds for upgrade of communications consoles and bay station equipment. Highway Patrol would be permitted to fund this equipment from other sources.

18 Adjustment for Vehicle Inflationary Factors

(\$710,875) R

(\$1,701,282) R

Would reduce continuation budget increases in the new vehicle line item consistent with cost increases in previous years.

19 Adjustment for Gasoline Inflationary Factors

(\$403,340) R

(\$201,279) R

Would reduce continuation budget increases in the gasoline line item.

(6310) Department of Public Instruction**20 Adjustment to Driver Education**

(\$1,966,232) R

(\$1,966,232) R

Reduces funding due to fewer projected students and underspending in previous years.

(6360) Global TransPark Authority**21 GTP Administration**

(\$605,549) R

(\$640,882) R

Adjust budget

(6370) Transfer to Highway Trust Fund**22 Discontinue Transfer to Highway Trust Fund**

(\$38,000,000) R

(\$38,000,000) R

Ends transfer to Highway Trust Fund of money required by statute. These funds were originally made available from the retirement of Highway Fund bonds. As these bonds were paid off, money equal to the debt service on the bonds was paid to the Highway Trust Fund.

(6611) Retirement Rate Adjustment**23 Retirement Rate Adjustment**

(\$12,304,320) R

(\$12,304,320) R

Reduces the State contribution rate from 5.33% to 1.97% of payroll for members of the Teacher's and State Employees' Retirement System.

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(6801) Compensation Increase**24 State Funded Compensation Increase**

\$7,200,000

R

\$7,200,000

R

Provides funding for a permanent \$625 annual salary increase to State employees whose salaries and wages are supported out of the Highway Fund.

(6828) Reserve for Maintenance**25 Restore Maintenance Expenditures**

\$31,000,000

R

\$31,000,000

R

Restores funding to FY 2001 levels. FY 2001 budget contained \$31,000,000 in nonrecurring funding.

26 Increase Maintenance Expenditures

\$19,213,685

R

\$19,213,685

R

Increases maintenance funding over funding from previous years.

\$7,022,971

NR

(6836) State Employee Reserve**27 State Employee Health Benefit Plan**

\$7,000,000

R

\$9,000,000

R

Provides a 30% premium increase to the Plan for Teachers, State Employees, and Retired Employees effective October 1, 2001. The remaining financial support to keep the plan solvent through the 2001-03 biennium will come from increased premiums paid by employees for their families, cuts in payments to hospitals and physicians, and a reduction in the Plan's benefits.

Total Legislative Changes

\$75,005,526

R

\$76,181,847

R

\$39,206,971

NR

Total Position Changes

-55.00

-55.00

Revised Budget

\$1,318,690,000

\$1,287,902,372

**INFORMATION
TECHNOLOGY
Section L**

Information Technology Services

		INTERNAL SERVICE FUND	
		FY 2001-02	FY 2002-03
Recommended Budget		\$0	\$0
Legislative Changes			
Services Division			
1 ITS Rate Reductions		(\$4,000,000) R	(\$4,000,000) R
The Office of Information Technology Services shall reduce rates charged to agencies from among the telephone/telecommunications and computer data processing services.			
2 ITS Reductions			
The Office of Information Technology Services Internal Service Fund is reduced by ten million dollars (\$10,000,000). The ten million dollar reduction (\$10,000,000) is transferred from the Internal Service Fund to the General Fund based upon the following installments:		(\$10,000,000) NR	
(\$3,000,000)	November 3, 2001		
(\$4,000,000)	February 4, 2002		
(\$3,000,000)	June 15, 2002		
Total Legislative Changes		(\$4,000,000) R	(\$4,000,000) R
		(\$10,000,000) NR	
Total Position Changes			
Revised Budget		(\$14,000,000)	(\$4,000,000)

**RESERVES/
DEBT SERVICE/
ADJUSTMENTS
Section M**

Reserves, Debt Service and Adjustments

GENERAL FUND

	FY 2001-02	FY 2002-03
Recommended Budget	\$241,290,498	\$241,290,498

Legislative Changes

A. Employee Benefits

1 State Funded Compensation Increases	\$193,842,000	R	\$193,842,000	R
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Provide recurring funds to increase salaries of State funded Public School System employees, Community College System employees, University System employees, and State Agency employees.

Also provide \$5.15 million in recurring funds to continue established statutory salary plans for Magistrates, Assistant Clerks, and Deputy Clerks. Funding provided is for scheduled increases in the 2001-2002 fiscal year for the Magistrates, Assistant Clerks and Deputy Clerks salary plans plus funding required to cover a shortfall in current budgeted funding levels in the Assistant and Deputy Clerks' salary plan.

Public Schools:

Teachers -- 2.86% average increase
Principal and Assistant Principals -- 2.93% average increase
Other Public School Employees -- \$625 increase

Community College System Employees -- \$625 increase

Also allocates \$6.9 million to the Community College System to provide an additional 1.25% salary increase for faculty and professional staff.

State Employees:

SPA (State Agency and University System) -- \$625 increase
EPA (State Agency) -- \$625 increase
EPA (UNC System) -- \$625 increase
State Agency Teachers -- 2.86% average increase
School of Science and Math Faculty -- 2.86% average increase

2 State Employee Health Benefit Plan

\$150,000,000 R \$200,000,000 R

Provide a 30% premium increase to the Plan for Teachers, State Employees and Retired Employees effective October 1, 2001. The appropriation for 2001-02 is split between an appropriation to the Office of State Budget and Management (\$36,000,000) to maintain the Plan's liquidity through September 30, 2001, and a Statewide Reserve (\$114,000,000) for distribution to state agencies. The remaining financial support to keep the Plan solvent through the 2001-03 biennium will come from increased premiums paid by employees for their families, cuts in payments to hospitals and physicians, and a reduction in the Plan's benefits.

3 TSERS Retirement Rate Adjustment

(\$241,002,720) R (\$241,002,720) R

Reduce the State contribution rate from 5.33% to 1.97% of payroll for members of the Teachers' and State Employees' Retirement system as a result of removing the cap of 77% for the recognition of assets.

4 CJRS Retirement Rate Adjustment

(\$2,265,000) R (\$2,265,000) R

Reduce the State contribution rate from 18.58% to 14.05% of payroll for members of the Consolidated Judicial Retirement System.

B. Trust Fund for MH/DD/SAS**5 Trust Fund for MH/DD/SAS and Bridge Funding Needs**

\$47,525,675 NR

Provides funds to facilitate the reform of the state's mental health, developmental disabilities and substance abuse services system including (1) funds to enhance community based services and facilitate compliance with the federal Supreme Court decision in Olmstead; (2) bridge funding to provide services to clients during transitional periods such as the closing of state facilities; and (3) capital funds for the construction, repair and renovation of state facilities.

C. Reserve to Implement HIPAA**6 HIPAA Compliance Funds**

\$15,000,000 NR

Provide funds for statewide planning and implementation of the federal Health Insurance Portability and Accountability Act (HIPAA). The act establishes national standards and requirements for the transmission, storage and handling of certain electronic health care data. HIPAA requires significant changes in information technology systems, administrative policies and regulations, operational processes, education and training. Agencies providing health care services or using patient or health care data are subject to the requirements. This includes the Department of Health and Human Services and the Teachers' and State Employees' Comprehensive Major Medical Plan.

D. Information Technology Rate Adjustment**7 Information Technology Services (ITS) Rate Reduction**

(\$4,000,000) R

(\$4,000,000) R

Reduce telecommunication rates paid by State agencies to the Office of Information Technology Services. The rate change shall reduce agency General Fund expenditures by \$4 million annually. The Office of Information Technology and the Office of Budget and Management shall have flexibility in implementing this reduction.

E. Other Reserves**8 Debt Service Requirements**

\$12,312,542 R

\$113,757,310 R

Provide funds for debt service due to revised requirements for principal and interest payments, including the issuance of the Higher Education Improvement Bonds authorized in 2000. Total requirements in FY 2001-02 were reduced by \$24,298,298 from the Governor's recommendations due to budgeting additional receipts (\$15,529,548) and delaying the sale of Natural Gas Bonds until January 1, 2002 (\$8,768,750). The total debt service requirement, including federal reimbursements is \$251,978,040 for FY 2001-02 and \$353,422,808 for FY 2002-03.

9 Contingency and Emergency Fund

\$3,875,000 R

\$3,875,000 R

Provide additional funds to address unanticipated disasters, emergency situations and contingencies. The total annual appropriation to the C&E Fund is \$5,000,000.

Total Legislative Changes

\$112,761,822 R

\$264,206,590 R

\$62,525,675 NR

Total Position Changes**Revised Budget**

\$416,577,995

\$505,497,088

CAPITAL

Section N

Capital

GENERAL FUND

	FY 2001-02	FY 2002-03
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Department of Environment and Natural Resources

1 Water Resources Development Projects

Provide state funds to match federal and local funds for water resources development projects as outlined in the state's Water Resources Development Plan.

\$32,936,000 NR

Statewide Capital Reserves

2 Repairs and Renovations Reserve Account

Provide funds for repairs and renovations of the UNC System and State facilities throughout North Carolina.

\$125,000,000 NR

Total Capital Appropriation

\$157,936,000 NR
