

**N. C. HOUSE OF REPRESENTATIVES
APPROPRIATIONS COMMITTEE**

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

**House Bill 2436
Proposed Committee Substitute H2436-CSLRxf-49**

June 3, 2008

NORTH CAROLINA HOUSE OF REPRESENTATIVES

2007-2008

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Budget Reform Statement General Fund Availability

		FY 2008-2009
1	Unappropriated Balance from FY 2007-08, S.L. 2007-323	270,504,098
2	Net Adjustment - S.L. 2007-540	(1,000,000)
4	Adjustment from Estimated to Actual 2007-08 Beginning Unreserved Balance	47,867,864
5	Projected Reversions from FY 2007-08	150,000,000
7	Projected Overcollections from FY 2007-08	151,500,000
8	Less Earmarkings of Year End Fund Balance	
10	Credit to Savings Reserve	(62,224,083)
11	Credit to Repairs and Renovation Reserve Account	(65,000,000)
13	Beginning Unreserved Fund Balance	491,647,879
14		
16	Revenues Based on Existing Tax Structure	19,903,800,000
17		
19	Non-tax Revenues	
20	Investment Income	247,300,000
22	Judicial Fees	204,800,000
23	Disproportionate Share	100,000,000
25	Insurance	160,600,000
26	Other Non-Tax Revenues	62,900,000
28	Highway Trust Fund Transfer	172,500,000
29	Highway Fund Transfer	17,600,000
31	Subtotal Non-tax Revenues	965,700,000
32		
34	Total General Fund Availability	21,361,147,879
35		
37	Adjustments to Availability: 2008 Session	
38	Extend Sunset for State Ports Tax Credit	(1,000,000)
40	Extend Credit for Research & Development	(1,000,000)
41	Sales Tax Exemption for American Red Cross	(500,000)
43	Sales Tax Holiday for Energy Efficient Products	(1,200,000)
44	Extend Sunset for Small Business Employee Health Benefits Tax Credit	(8,500,000)
46	Increase Tax Credit for Small Business Employee Health Benefits	(1,600,000)
47	Increase Earned Income Tax Credit to 5%	(20,600,000)
49	Provide Property Tax Homestead Exemption for Military/Disabled Veterans	(8,600,000)
50	Reserve for Tax Relief	(7,000,000)
52	Health Care Facility Construction Project Fee Service Regulation Fee Increase	822,028
53	Adjust Securities Filing Fee	1,993,500
55	Reduce Transfer from Highway Trust Fund	(25,000,000)
56	Transfer from Disaster Relief Reserve	21,000,000
58	Transfer from NC Rx Fund Balance	3,500,000
59	Transfer from Tobacco Trust Fund	5,000,000
61	Transfer from Health & Wellness Trust Fund	5,000,000
62	Transfer from Coaching Scholarship Loan Fund	267,000
64	Transfer from Principal Fellows Trust Fund	1,000,000
65	Transfer from NCCCS Computer Information System (CIS) Fund Balance	4,500,000
67	Transfer from Focused Industrial Training Fund Balance	783,246
68	Transfer from NonTax-Disproportionate Share Account	19,300,000
70	Adjust Transfer from Insurance Regulatory Fund	328,080
71	Subtotal Adjustments to Availability: 2008 Session	(11,506,146)
73		
74	Revised General Fund Availability for 2008-09 Fiscal Year	21,349,641,733
76		
77	Total General Fund Appropriations for 2008-09 Fiscal Year	(21,349,641,733)
79		
80	Unappropriated Balance Remaining	0

SUMMARY:

**GENERAL FUND
APPROPRIATIONS**

Summary of General Fund Appropriations						
Fiscal Year 2008-09						
2008 Legislative Session						
	Certified	Legislative Adjustments			Revised	
	Appropriation	Recurring	Nonrecurring	Net	Position	Appropriation
	2008-09	Adjustments	Adjustments	Changes	Changes	2008-09
Education:						
Community Colleges	899,643,003	26,015,698	7,159,000	33,174,698	1.00	932,817,701
Public Education	7,708,315,285	(49,156,664)	148,649,043	99,492,379	2.00	7,807,807,664
University System	2,656,447,099	9,384,919	(33,017,530)	(23,632,611)	2.00	2,632,814,488
Total Education	11,264,405,387	(13,756,047)	122,790,513	109,034,466	5.00	11,373,439,853
Health and Human Services:						
Central Management and Support	62,592,178	(2,434,966)	(6,325,000)	(8,759,966)	0.00	53,832,212
Aging Division	35,745,179	2,000,000	500,000	2,500,000	0.00	38,245,179
Blind and Deaf / Hard of Hearing Services	11,434,643	0	75,000	75,000	0.00	11,509,643
Child Development	310,984,207	(6,110,422)	8,000	(6,102,422)	3.00	304,881,785
Education Services	38,855,457	0	698,940	698,940	0.00	39,554,397
Health Services Regulation	20,656,228	787,918	34,110	822,028	8.00	21,478,256
Medical Assistance	3,389,993,470	(188,039,791)	(12,268,543)	(200,308,334)	11.00	3,189,685,136
MH/DD/SAS	721,639,723	22,913,030	4,276,063	27,189,093	226.85	748,828,816
NC Health Choice	59,391,155	10,387,650	645,618	11,033,268	0.00	70,424,423
Public Health	182,162,710	2,234,605	3,652,306	5,886,911	6.00	188,049,621
Social Services	221,227,038	(665,302)	2,400,000	1,734,698	0.00	222,961,736
Vocational Rehabilitation	45,518,365	0	(2,000,000)	(2,000,000)	0.00	43,518,365
Total Health and Human Services	5,100,200,353	(158,927,278)	(8,303,506)	(167,230,784)	254.85	4,932,969,569
Justice and Public Safety:						
Correction	1,226,627,581	3,050,761	(2,303,291)	747,470	41.00	1,227,375,051
Crime Control & Public Safety	41,489,037	917,596	2,062,579	2,980,175	0.00	44,469,212
Judicial Department	452,389,917	(2,018,909)	(1,611,747)	(3,630,656)	0.25	448,759,261
Judicial - Indigent Defense	115,991,348	(200,000)	1,200,000	1,000,000	0.00	116,991,348
Justice	92,171,670	(289,120)	(311,959)	(601,079)	3.00	91,570,591
Juvenile Justice & Delinquency Prevention	139,556,104	21,531,264	(462,663)	21,068,601	30.00	160,624,705
Total Justice and Public Safety	2,068,225,657	22,991,592	(1,427,081)	21,564,511	74.25	2,089,790,168

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Fiscal Year 2008-09						
2008 Legislative Session						
	Certified	Legislative Adjustments			Revised	
	Appropriation	Recurring	Nonrecurring	Net	Position	Appropriation
	2008-09	Adjustments	Adjustments	Changes	Changes	2008-09
<u>Natural And Economic Resources:</u>						
Agriculture and Consumer Services	60,699,001	(317,116)	5,327,705	5,010,589	6.00	65,709,590
Commerce	45,289,341	(1,415,267)	10,765,237	9,349,970	1.00	54,639,311
Commerce - State Aid	21,361,485	652,635	6,987,000	7,639,635	0.00	29,001,120
Environment and Natural Resources	192,815,663	(1,576,388)	14,693,898	13,117,510	12.62	205,933,173
DENR - Clean Water Mgmt. Trust Fund	100,000,000	0	0	0	0.00	100,000,000
Labor	16,594,951	770,885	0	770,885	1.00	17,365,836
NC Biotechnology Center	15,583,395	(155,834)	0	(155,834)	0.00	15,427,561
Rural Economic Development Center	24,302,607	(243,026)	60,000,000	59,756,974	0.00	84,059,581
Total Natural and Economic Resources	476,646,443	(2,284,111)	97,773,840	95,489,729	20.62	572,136,172
<u>General Government:</u>						
Administration	70,959,534	632,685	673,877	1,306,562	-6.00	72,266,096
Auditor	12,746,479	(283,938)	0	(283,938)	0.00	12,462,541
Cultural Resources	71,881,424	(134,421)	2,000,000	1,865,579	-3.00	73,747,003
Cultural Resources - Roanoke Island	2,020,023	(15,000)	0	(15,000)	0.00	2,005,023
General Assembly	55,740,786	(636,000)	0	(636,000)	0.00	55,104,786
Governor	6,300,587	(355,119)	0	(355,119)	-1.00	5,945,468
NC Housing Finance Agency	9,608,417	5,000,000	7,000,000	12,000,000	0.00	21,608,417
Insurance	30,936,704	316,080	12,000	328,080	2.00	31,264,784
Insurance - Worker's Compensation Fund	4,500,000	0	(1,000,000)	(1,000,000)	0.00	3,500,000
Lieutenant Governor	915,109	0	0	0	0.00	915,109
Office of Administrative Hearings	3,521,735	60,144	253,400	313,544	0.00	3,835,279
Revenue	85,330,611	(1,415,864)	0	(1,415,864)	-29.00	83,914,747
Secretary of State	10,743,041	33,162	98,894	132,056	4.00	10,875,097
State Board of Elections	9,626,868	261,583	0	261,583	6.00	9,888,451
State Budget and Management	5,877,440	15,242	0	15,242	1.00	5,892,682
State Budget and Management -- Special	5,621,446	300,000	1,000,000	1,300,000	0.00	6,921,446
State Controller	20,727,698	(110,940)	0	(110,940)	0.00	20,616,758
Treasurer - Operations	9,326,190	0	0	0	0.00	9,326,190
Treasurer - Retirement / Benefits	9,458,957	0	0	0	0.00	9,458,957
Total General Government	425,843,049	3,667,614	10,038,171	13,705,785	-26.00	439,548,834

Summary of General Fund Appropriations						
Fiscal Year 2008-09						
2008 Legislative Session						
	Certified	Legislative Adjustments			Revised	
	Appropriation	Recurring	Nonrecurring	Net	Position	Appropriation
	2008-09	Adjustments	Adjustments	Changes	Changes	2008-09
Transportation	0	0	0	0		0
Statewide Reserves and Debt Service:						
Debt Service:						
Interest / Redemption	659,016,907	0	(17,500,000)	(17,500,000)		641,516,907
Federal Reimbursement	1,616,380	0	0	0		1,616,380
Subtotal Debt Service	660,633,287	0	(17,500,000)	(17,500,000)	0.00	643,133,287
Statewide Reserves:						
Compensation Increases	500,807,621	358,342,439	8,151,912	366,494,351		867,301,972
Salary Adjustment Fund 2007-09 Biennium	23,688,000	0	0	0		23,688,000
Teachers' & State Employees Retirement Cont	35,705,000	30,237,400	0	30,237,400		65,942,400
State Health Plan	122,890,207	(5,000,000)	0	(5,000,000)		117,890,207
Reserve for Eliminated Positions	(10,038,466)	0	0	0		(10,038,466)
Grant to Counties for Teachers' Personal Leave Day	0	0	5,000,000	5,000,000		5,000,000
Contingency and Emergency Fund	5,000,000	0	0	0		5,000,000
Information Technology Fund	7,840,000	0	0	0		7,840,000
Job Development Incentive Grants Reserve	12,400,000	17,700,000	5,000,000	22,700,000		35,100,000
North Carolina Master Address Dataset	0	0	1,000,000	1,000,000		1,000,000
Pending Gang Prevention Legislation (HB 274)	0	0	10,000,000	10,000,000		10,000,000
Subtotal Statewide Reserves	698,292,362	401,279,839	29,151,912	430,431,751	0.00	1,128,724,113
Total Reserves and Debt Service	1,358,925,649	401,279,839	11,651,912	412,931,751	0.00	1,771,857,400
Total General Fund for Operations	20,694,246,538	252,971,609	232,523,849	485,495,458	328.72	21,179,741,996
Other General Fund Expenditures:						
Capital Improvements	0		169,899,737	169,899,737		169,899,737
Repairs and Renovations	0			0		0
Total Other General Fund Expenditures	0	0	169,899,737	169,899,737	0.00	169,899,737
Total General Fund Budget	20,694,246,538	252,971,609	402,423,586	655,395,195	328.72	21,349,641,733

EDUCATION
Section F

Public Education

GENERAL FUND

Total Budget Approved 2007 Session	FY 08-09
	\$7,708,315,285

Budget Changes

A. Technical Adjustments

1 Average Daily Membership (ADM)	\$12,010,321	R
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Revises projected increase in ADM for 2008-09 to reflect 2,382 fewer students than originally projected. Dollar amount of adjustment includes adjustments in all position, dollar, and categorical allotments.

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

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

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

2 Budgeted Average Salary	(\$43,615,839)	R
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Revises budgeted funding for certified personnel salaries based on actual salary data from December 2007. Adjustment does not reduce any salary paid to certified personnel.

3 Transportation Adjustment for ADM	(\$4,000,000)	R
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Adjusts this allotment formula to align it with allotted ADM.

4 Transportation Fuel	\$45,000,000	NR
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Diesel fuel was funded at \$1.83 per gallon in the 2008-09 certified budget. As of May 2008, diesel fuel cost \$3.71 per gallon. The Department of Public Instruction shall use funds available from the State Public School Fund to cover fuel costs above the budgeted amount, if any.

5 Class-Size Reduction

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

6 Over-realized Civil Penalties

(\$31,000,000) R

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

B. State Public School Fund

7 Average Daily Membership (ADM) Reserve

(\$3,000,000) R

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

8 Replacement School Buses

(\$4,500,000) NR

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

9 Children With Disabilities Head-Count Adjustment

(\$7,135,129) R

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

10 Children With Disabilities

\$6,200,000 R

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

11 State-Funded Tests

(\$3,343,412) R

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

12 Group Homes and Community Residential Centers

(\$2,000,000) R

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

13 Math and Science Supplemental Salary Pilot

(\$250,000) R

Reduces recurring appropriation of \$515,115 to reflect unspent balances for this pilot program. In 2006-07, \$415,000 was unspent.

<p>14 Learn and Earn Online Reduces 2008-09 recurring funding from \$10.1 million to \$6.5 million and eliminates the \$5 million non-recurring reserve. Projected program expenditures in 2007-08 are estimated to be approximately \$3 million, less than half of the amount provided for 2008-09.</p>	<p>(\$3,600,000) R (\$5,000,000) NR</p>
<p>15 At-Risk Funding Reduces the FY 2007-08 allocation of \$500,000 from this allotment to the State Board of Education for discretionary projects. The State Board may spend no more than \$300,000 on discretionary projects from this allotment.</p>	<p>(\$200,000) R</p>
<p>16 Inflationary Increases for Instructional Supplies This adjustment removes the inflationary increases for instructional supplies for FY 2008-09 and adjusts the budgeted amount to the FY 2007-08 per ADM rate.</p>	<p>(\$3,632,352) R</p>
<p>17 Inflationary Increases for Textbooks This adjustment removes the inflationary increases for textbooks for FY 2008-09 and adjusts the budgeted amount to the FY 2007-08 per ADM rate.</p>	<p>(\$1,039,128) R</p>
<p>18 ABC Bonuses Funds ABC bonuses for schools that met or exceeded expected growth in the 2007-08 school year.</p>	<p>\$70,000,000 NR</p>
<p>19 Learn and Earn High Schools Provides funding for 14 additional Learn and Earn high schools that will be operational in 2008-09, bringing the total number of Learn and Earn high schools to 56. Nonrecurring appropriation provides \$10,000 per site to support start-up costs associated with the first year of implementation.</p>	<p>\$3,459,461 R \$110,000 NR</p>
<p>20 North Carolina 1:1 Learning Project Provides additional funds to the North Carolina 1:1 Learning Project, a pilot program in 8 high schools that provides laptop computers for all teachers and students in the pilot schools. State funds are used to support program evaluation, improve network connectivity at each of the pilot sites, assist with professional development for teachers and principals, provide technical support staff, and purchase additional software, hardware, or other equipment necessary to support the program. The North Carolina 1:1 Learning Project received a nonrecurring appropriation of \$3 million in 2007-08.</p>	<p>\$1,000,000 NR</p>
<p>21 School Connectivity Provides additional funding to support the implementation of a plan for State-funded and supported IT infrastructure in the LEAs. The School Connectivity initiative is part of the effort to increase schools' abilities to use up-to-date instructional technology. These funds are in addition to the \$12,000,000 in the base budget.</p>	<p>\$11,000,000 R</p>

<p>22 Mentoring Provides additional funds to establish a flexible mentoring program to serve all first and second-year teachers as well as first-year instructional support personnel. LEAs will have the flexibility to use mentoring funds, under a plan approved by the State Board of Education, to implement those strategies it believes will best serve the target population.</p> <p>This change to the mentoring program was recommended by the Joint Legislative Study Committee on Public School Funding Formulas.</p>	<p>\$6,700,000</p>	<p>R</p>
<p>23 Disadvantaged Student Supplemental Funding Expands DSSF allotment for all LEAs to increase each LEA's capacity to meet the needs of all of its students. These funds are in addition to the \$70,172,729 in the base budget.</p>	<p>\$6,000,000</p>	<p>R</p>
<p>24 Academically or Intellectually Gifted Increases funds allotted to LEAs to support programming for students identified as academically or intellectually gifted. Increases funding factor by \$54.18 per ADM (for 4% of ADM), bringing factor to \$1,137.19 per student.</p>	<p>\$3,200,000</p>	<p>R</p>
<p>25 Dropout Prevention Grants Provides a second year of funding for a grant program that distributes funding on a competitive basis to support innovative LEA programs that address dropout prevention. The FY 2007-08 budget provided a nonrecurring appropriation of \$7 million for this purpose.</p>	<p>\$15,000,000</p>	<p>NR</p>
<p>26 Low Wealth Counties Supplemental Funding Provides a second year of "one-time" funding to LEAs that experienced decreases in Low Wealth Counties Supplemental Funding in FY 2007-08. This money will restore 40% of each LEA's decrease in Low Wealth Counties Supplemental Funding experienced in FY 2007-08.</p>	<p>\$2,904,043</p>	<p>NR</p>
<p>27 More at Four Expands the More at Four program by 4,184 slots in 2008-09 and increases the average per slot amount by 3% to \$4,583.50. Increase will result in 32,829 total available More at Four slots.</p>	<p>\$23,000,000</p>	<p>NR</p>
<p>28 Child Nutrition Provides funds to assist in implementing the elementary school nutritional standards proscribed in G.S. 115C-264.3. The State Board of Education shall establish guidelines for allocating these funds to all LEAs.</p>	<p>\$4,000,000</p>	<p>R</p>

C. Department of Public Instruction

- 29 Teacher Academy**

Eliminates \$1,000,000 in funding to the North Carolina Teacher Academy for the training of literacy coaches. The North Carolina Teacher Academy will retain \$1,000,000 in previously appropriated funds in order to train the 200 existing literacy coaches.

(\$1,000,000)

R
- 30 Positive Behavior Support**

Provides funding to support an additional position for the Positive Behavior Support Initiative, an effort to improve the learning environment for all students by establishing and reinforcing clear behavioral expectations throughout the school building and school day.

\$90,000

1.00

R
- 31 Graduation Project**

Funds are provided to support the Graduation Project - a performance-based component of high school exit standards. These funds will support the purchase of the management tool software to allow teachers to manage student progress across grade levels.

\$150,000

NR
- 32 Transfer Center for 21st Century Skills**

Transfers the Center for 21st Century Skills from the Office of the Governor to the Superintendent of Education. Established in 2005, the Center designs curriculum, teacher training, and student assessments to support students acquiring the knowledge and skills needed for the 21st century. The transfer includes one position.

\$270,914

1.00

R

D. Pass-Through Funds

- 33 Teacher Cadet Program**

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

\$278,500

R
- 34 Teach for America**

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

\$750,000

R

<p>35 Communities in Schools Communities in Schools is a private non-profit organization that connects at-risk youth and their families with resources to assist in school success and dropout prevention. This appropriation expands the current Communities in Schools budget of \$1,107,500. Expansion amount may support the creation of Performance Learning Centers and will be matched, in part, by a grant from the Bill & Melinda Gates Foundation.</p>	<p>\$500,000</p>	<p>R</p>
<p>36 PTA Parental Involvement Initiative Provides funds to the North Carolina Congress of Parents and Teachers, Incorporated, a non-profit organization, to implement the PTA Parental Involvement Initiative. The PTA Parental Involvement Initiative received a nonrecurring appropriation of \$262,500 in 2007-08.</p>	<p>\$300,000</p>	<p>NR</p>
<p>37 Literacy Connection Program Provides funding to Project Enlightenment, an early childhood education and intervention program of the Wake County Public School System, to operate the Literacy Connection Program. The program will develop a statewide network of preschool early literacy leaders and provide them with training and support for coaching preschool teachers on literacy instruction strategies. In addition, the program will provide training and technical support to the More at Four program. The Literacy Connection received a nonrecurring appropriation of \$200,000 in FY 2007-08.</p>	<p>\$200,000</p>	<p>R</p>
<p>38 ExplorNet Provides additional funds to the Centers for Quality Teaching and Learning, a program that or the purpose of developing, piloting, and implementing a program for new and lateral entry teachers designed to prepare them to be successful and to remain in the classroom. The FY 2008-09 budget includes \$300,000 recurring for ExplorNet.</p>	<p>\$150,000</p>	<p>NR</p>
<p>39 Kids Voting Provides funding to support continued operation of the Kids Voting program, which received a non-recurring appropriation of the same amount in FY 2007-08.</p>	<p>\$250,000</p>	<p>NR</p>
<p>40 North Carolina Science, Mathematics and Technology Education Center Provides \$100,000 to the North Carolina Science, Mathematics and Technology Education Center, Inc. (NCSMTEC) to support the establishment of new interscholastic science competitions. The FY 2008-09 budget includes \$100,000 recurring for NCSMTEC.</p>	<p>\$100,000</p>	<p>NR</p>
<p>41 NC Humanities Council Teacher Institute Program Provides additional funds to non-profit program focused on promoting teaching and learning that develops teachers' capacities to understand, empathize with, and relate to various cultures. This organization received a non-recurring appropriation of \$100,000 in FY 2007-08.</p>	<p>\$185,000</p>	<p>NR</p>

Budget Changes	(\$49,156,664)	R
	\$148,649,043	NR
Total Position Changes		2.00
Revised Total Budget	\$7,807,807,664	

UNC System

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09

\$2,656,447,099

Budget Changes

A. Base Budget Adjustments

42 Enrollment Growth	\$14,613,302	R
Increases enrollment growth funding to \$54.4 million in FY 2008-09.		
43 Management Flexibility Reduction	(\$18,499,495)	R
Mandates a .8% management flexibility reduction in UNC budget codes except the following: Focused Growth institutions, NC School of the Arts, UNC-Asheville, state financial aid, UNC-GA reserves and UNC system expansion in budget code 16011, the Center for School Leadership Development, the NC Center for the Advancement of Teaching, the NC School of Science and Mathematics, and UNC Hospitals. The UNC system must use this flexibility to make reductions in areas based on the best interests of each institution, except that the university system shall not make cuts that negatively affect the classroom.		
44 Inflationary Increase & Equipment Reduction	(\$7,589,129)	R
Removes the FY 2008-09 base budget adjustments for inflationary increases in utilities and library books and the replacement funding for high mileage vehicles and broken equipment.		
45 Building Reserve Adjustments	(\$3,673,321)	R
Adjusts the building reserves for new and renovated buildings due to changes in completion dates and recalculation of reserve costs.		
46 Legislative Tuition Grant Adjustment	(\$1,700,000)	R
Adjusts the appropriation for the Legislative Tuition Grant due to lower than expected enrollment in FY 2007-08. The remaining appropriation allows for 3% growth in on-campus students and 1% growth in off-campus students in FY 2008-09.		
47 State Contractual Scholarship Fund Adjustment	(\$1,100,000)	R
Adjusts the appropriation for the State Contractual Scholarship Fund due to lower than expected enrollment in FY 2007-08. The remaining appropriation allows for 1.5% growth in FTE for the campuses in FY 2008-09.		

48 SREB Contract Programs Phase-Out

(\$93,000) R

Begins phase-out of the Southern Regional Education Board (SREB) contract programs in Optometry, Dentistry, and Medicine with universities in other states. Students now enrolled through this program will be allowed to graduate, but future students will be directed to apply for financial assistance through the North Carolina Student Loan Program for Health, Science and Math that requires a commitment to work in North Carolina to repay the scholarship loan. This is the first year savings from the phase-out.

49 EARN Scholars Revision

(\$50,000,000) NR

Revises the Education Access Rewards North Carolina Scholars Fund (EARN) to allow private college students to participate. This change will cost \$6.2 million in FY 2008-09 and \$10.4 million in FY 2009-10. With this change, the total cost of EARN in FY 2008-09 is estimated to be \$65.7 million. The program is funded in FY 2008-09 with \$60 million General Fund and \$40 million Escheat Fund. The proposed change is to fund \$10 million from the General Fund and up to \$60 million from the Escheat Fund.

50 Coaching Scholarships Elimination

(\$72,000) R

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

51 Principal Fellows Program Trust Fund Reversion

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

52 Tuition Surcharge Over-realized Receipts

(\$400,000) R

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

B. Expansion**53 Campus Safety**

\$6,400,000 R

Provides funding to the UNC Board of Governors to implement recommendations of the UNC Campus Safety Task Force.

\$6,400,000 NR

54 Principal Fellows Program - Class 10 Payments

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

55 ECU Brody School of Medicine Indigent Care

Provides partial compensation to the Brody School of Medicine for its cost of providing significant levels of service to indigent patients.

\$2,500,000 NR

56 AHEC

Provides funds to Area Health Education Centers (AHEC) to address health workforce shortages, primary care residency training, and patient safety in local health facilities.

\$1,190,562 R

57 Cochlear Implant Programs

Appropriates \$400,000 to the Center for the Acquisition of Spoken Language through Listening Enrichment (CASTLE) and \$100,000 to East Carolina University Health Sciences Division and the Auditory Learning Center to 1) train teachers and therapists to work with deaf preschool-age children with cochlear implants and 2) provide oral classes to children with cochlear implants.

\$500,000 NR

58 Medical School Expansion

Provides funding to develop implementation plans for the expansion of the medical schools at the University of North Carolina at Chapel Hill and East Carolina University. The proposed additional medical students will spend their third and fourth years in clinical rotations in Charlotte, Asheville, and selected cities in Eastern North Carolina.

\$4,000,000 R

59 ECU Dental School Operations

Funds the additional professional staff needed for planning and operation of the new ECU dental school.

\$1,500,000 R

60 TEACCH

Provides funds to the TEACCH (Treatment and Education of Autistic and Related Communication-Handicapped Children) program to provide early intervention services for 18 month old to three year old autistic children and to provide student training stipends.

\$358,000 R

61 Statewide Program for Infection Control and Epidemiology (SPICE)

Funds the Statewide Program for Infection Control and Epidemiology (Spice) at the UNC-Chapel Hill School of Medicine. SPICE is charged with investigating and controlling healthcare-associated infections in medical and long-term care facilities.

\$250,000 NR

<p>62 Veterinary Medicine Clinical Teaching and Research Fund Provides continued funding to the NC State University College of Veterinary Medicine for the Veterinary Medicine Clinical Teaching and Research Fund. This fund allows advanced diagnostic and treatment options for animals where a) owner financing of such options are limited, b) significant instructional value exists, or c) the diagnostic and treatment options have the potential of adding significantly to core knowledge in the relevant clinical area.</p>	<p>\$200,000</p>	<p>NR</p>
<p>63 WCU Forensic Science Program Funds additional faculty and equipment for DNA analysis in the Forensic Science Program at Western Carolina University. The program trains students for careers in forensic science, assists law enforcement agencies with crime scene investigations, and provides training for law enforcement professionals.</p>	<p>\$500,000</p>	<p>R</p>
<p>64 FSU Fire Training Tower Provides funding to Fayetteville State University to help fund a fire training tower for its BS in Fire Science program.</p>	<p>\$400,000</p>	<p>NR</p>
<p>65 Dairy Agriculture Extension Agents Funds two Area Specialized Dairy Agents in the NC Cooperative Extension Service.</p>	<p>\$200,000</p> <p style="text-align: right;">2.00</p>	<p>R</p>
<p>66 NCSU College of Engineering Provides additional operating funds for the bioengineering program in the NCSU College of Engineering.</p>	<p>\$1,000,000</p>	<p>R</p>
<p>67 NC A&T College of Engineering Provides funds to North Carolina A&T State University's College of Engineering for additional faculty, equipment replacement and maintenance, and support of academic programs.</p>	<p>\$2,000,000</p>	<p>R</p>
<p>68 Special Focus Institutions Provides funding to UNC-Asheville (\$1,000,000), to the North Carolina School of the Arts (\$250,000), and to the North Carolina School of Science and Math (\$250,000) for nonrecurring needs. The missions and limited sizes of these institutions make it difficult for them to generate sufficient funds from the student credit hour enrollment funding model and other sources to provide the services students need.</p>	<p>\$1,500,000</p>	<p>NR</p>
<p>69 Distinguished Professors Endowment Fund Provides partial state matching funds for Spangler Foundation grants to establish distinguished professorships on each of the 16 constituent university campuses.</p>	<p>\$2,000,000</p>	<p>NR</p>
<p>70 ECSU Aviation Program Funds a flight school in the Aviation program at Elizabeth City State University.</p>	<p>\$300,000</p> <p>\$300,000</p>	<p>R</p> <p>NR</p>

<p>71 NCCU Law School Provides funds to the North Carolina Central University Law School to address ABA recommendations to enhance academic and student services infrastructure and to continue the transition of core functions away from federal Title III funding. This funding is in addition to the \$2.5 million granted the NCCU law school in FY 2007-08.</p>	<p>\$2,500,000</p>	<p>R</p>
<p>72 NC Research Campus at Kannapolis Provides funds to pay lease costs, hire faculty and staff, and purchase equipment and supplies for UNC programs located at the North Carolina Research Campus at Kannapolis.</p>	<p>\$3,000,000</p>	<p>R</p>
<p>73 UNC-TV Public Affairs Programs Provides funds to produce North Carolina Now and related statewide public affairs programs.</p>	<p>\$200,000</p>	<p>R</p>
<p>74 NC Arboretum International Institute for Natural Biotechnology Provides funds to the North Carolina Arboretum's International Institute for Natural Biotechnology and Integrative Medicine (Bent Creek Institute). The Institute studies the chemical makeup of traditional plant remedies in search of new medicines. The Institute houses the nation's first seed collection for medicinal plants.</p>	<p>\$200,000</p>	<p>NR</p>
<p>75 A+ Schools Provides funds to expand the number of public schools participating in the A+ Schools program affiliated with UNC-Greensboro. The program assists schools in implementing school reform by integrating arts into the curriculum.</p>	<p>\$100,000</p>	<p>NR</p>
<p>76 UNC Pembroke Fire Protection Funds Provides grant to the Pembroke Rural Fire Department to 1)reimburse the Department for the extra costs incurred when it purchased a 100-foot aerial fire truck to ensure adequate fire protection services to UNC Pembroke and 2)purchase additional equipment for the fire truck that is needed to make the fire truck operational.</p>	<p>\$200,000</p>	<p>NR</p>
<p>77 North Carolina in the World Project Provides funds to continue the NC in the World Project that began in FY 2005-06. This project is an initiative of the NC Center for International Understanding and is focused on improving students' knowledge about the world.</p>	<p>\$200,000</p>	<p>NR</p>
<p>78 Legislative Tuition Grant for Half-time Students Provides the Legislative Tuition Grant to NC residents enrolled in a minimum of six credit hours per semester in NC Independent Colleges and Universities.</p>	<p>\$1,750,000</p>	<p>R</p>

House Subcommittee on Education

FY 08-09

79 BRITE Operating Funds

Completes funding the operations of the newly constructed Biomanufacturing Research Institute & Technology Enterprise (BRITE) program at North Carolina Central University.

\$1,000,000 R

80 Joint Graduate School of Nanoscience and Nanoengineering

Provides additional operating funds for the new joint Graduate School of Nanoscience and Nanoengineering at NC A&T and UNC-G's Millennium Campus.

\$2,000,000 R

\$1,500,000 NR

Budget Changes

\$9,384,919 R

(\$33,017,530) NR

Total Position Changes

2.00

Revised Total Budget

\$2,632,814,488

Community Colleges

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$899,643,003

Budget Changes

A. Enrollment

- | | | |
|--|---------------------|-----------|
| <p>81 Fully Fund Enrollment Growth</p> <p>Provides funds to fully fund enrollment growth. According to the 2007-08 spring semester census, enrollment has increased by 6,455 full-time equivalent (FTE) students above the 2007-08 budgeted enrollment of 195,375. This increase is a 3.3% increase and brings 2008-09 budgeted enrollment to 201,830. Curriculum enrollment increased by 6,119 FTE (or 4.1%), continuing education enrollment by 288 (or 1.2%), and basic skills enrollment by 48 FTE (or 0.3%).</p> | <p>\$23,779,955</p> | <p>R</p> |
| <p>82 Enrollment Growth Reserve</p> <p>Provides funds for an Enrollment Growth Reserve to assist colleges that experience high growth in the fall semester. Funds shall be distributed to colleges that realize an increase greater than 5% over the previous year. Last year \$2 million non-recurring was provided for this purpose.</p> | <p>\$2,500,000</p> | <p>NR</p> |

B. Reductions

- | | | |
|--|----------------------|----------|
| <p>83 Minimum Faculty Salary Technical Correction</p> <p>Eliminates the remaining \$540 in the Minimum Faculty Salary line. This categorical appropriation was eliminated by the General Assembly in 2007. Due to a rounding error, however, the reduction failed to zero out the line.</p> | <p>(\$540)</p> | <p>R</p> |
| <p>84 Adjust College Information System (CIS) to Reflect Steady Operational State</p> <p>Reduces the overall budget of CIS to \$11.7 million, the amount needed for on-going maintenance and operations, including periodic system upgrades. In 1999 the General Assembly appropriated \$15 million to develop a comprehensive, system-wide management information system. As of February 2008, the College Information System (CIS) has been implemented at all 58 community colleges.</p> | <p>(\$3,332,426)</p> | <p>R</p> |
| <p>85 Unexpended CIS Fund Balance</p> <p>Reverts the anticipated year-end fund balance in budget code 26802 to the General Fund. Due to the full implementation of CIS in February 2008, a portion of the funds appropriated were not expended. Through a special provision, this reversion will increase availability by \$4,500,000 NR, which will be used for expansion budget items.</p> | | |

- 86 Reduce NCCCS BioNetwork** (\$600,000) R

Reduces the \$7.4 million appropriation for BioNetwork. BioNetwork provides specialized training, curricula, and equipment to community colleges statewide to develop the workforce for the biotechnology, pharmaceutical, and life science industries. The reduction will reduce BioNetwork's advertising budget and eliminate unused funds.
- 87 Adjust for Over-realized Tuition Receipts** (\$2,500,000) NR

Increases the budgeted amount of tuition and registration fees to more accurately reflect anticipated receipts. These additional receipts are expected to be available because 2008-09 actual enrollment is expected to exceed budgeted levels.
- 88 Focused Industrial Training (FIT)**

Reverts the \$783,246 balance of HB 275 funds that remains unspent for FIT. This balance has remained unchanged since FY 2004-05. By special provision, this reversion will increase availability for expansion budget items. FIT provides customized training for incumbent workers in existing manufacturing industries whose jobs are changing because of technological or process advances. This reduction does not affect FIT's recurring General Fund appropriation of \$3,964,471.
- 89 Customized Industry Training (CIT)** (\$285,891) R

Reduces the current Customized Industry Training (CIT) budget of \$2.75 million. This program helps existing businesses and industries improve their productivity and profitability by providing incumbent worker training. A project may be funded through CIT when it does not meet the eligibility guidelines for New and Expanding Industry Training (NEIT) or Focused Industrial Training (FIT).
- 90 Materials Composite Testing** (\$100,000) R

Eliminates the appropriation for Materials Composite Testing. Since the original \$100,000 recurring appropriation in FY 2004-05, this program has adjusted its focus to become primarily a metrology training resource.
- 91 State Board Reserve** (\$100,000) R

Reduces the current State Board Reserve budget of \$800,000. Per G.S. 115D-5(j), these reserve funds must be used on feasibility studies, pilot projects, start up of new programs, and innovative ideas.

C. Categorical Programs

<p>92 Allied Health Provides funds to support high-cost allied health programs. Funds may be used for allied health faculty, equipment, or supplies. Funds may also be used for National League of Nursing Accreditation fees. These funds are in addition to the \$5.6 million included in the base budget for this purpose. Funds shall be distributed on the basis of Allied Health FTE.</p>	<p>\$4,000,000</p>	<p>R</p>
<p>93 Technical Education Provides funds to re-establish and place renewed emphasis on technical education programs. Funds may be used for faculty, equipment, or supplies in the following curriculum areas: Construction, Engineering, Industrial, and Transport Systems Technologies. Funds shall be distributed among colleges based on the number of FTE students enrolled in these areas.</p>	<p>\$1,000,000</p>	<p>R</p>
<p>94 Equipment Provides funds for the purchase of instructional equipment at all 58 colleges. These funds are in addition to the \$31.3 million included in the base budget for this purpose. Funds shall be distributed in accordance with the existing equipment formula. Last year the General Assembly appropriated \$10 million non-recurring in addition to the base budget.</p>	<p>\$5,500,000</p>	<p>NR</p>
<p>95 NC Research Campus Provides funds to Rowan-Cabarrus Community College for operating expenses related to community college programs at the NC Research Campus in Kannapolis. These programs will focus on biotechnology. Two programs will be provided collaboratively with Forsyth Tech and Gaston College. These funds are in addition to the \$2.3 million in the base budget for this program.</p>	<p>\$1,000,000</p>	<p>R</p>
<p>96 Minority Male Mentoring Provides funds to continue the 15 Minority Male Mentoring programs established in FY 2007-08 and establish 17 new programs, thus supporting a total of 32 State-funded programs. These programs provide such activities as academic and personal counseling, drug intervention, and personal growth and development. The location of the new programs will be determined through a competitive application process. In addition, \$25,000 may be used to support the program's statewide conference, where colleges share experiences and best practices. Last year, the General Assembly provided \$475,000 non-recurring for this purpose.</p>	<p>\$1,000,000</p>	<p>NR</p>
<p>97 Multi-Campus Center Funds Provides additional funds to support multi-campus centers (MCCs), satellite campuses that provide student services and at least one degree program onsite. These funds will support two additional MCCs - the North and West Campuses of Wake Tech - bringing the total number of MCCs to 26. These funds are in addition to the \$13,455,197 currently in the base budget.</p>	<p>\$562,607</p>	<p>R</p>

98 NC REAL

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

\$250,000 NR

99 Fayetteville Tech 3-D Technology Project

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

\$400,000 NR

D. Community College System Office

100 Facility Engineer

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

\$91,993 R

\$9,000 NR
1.00

Budget Changes

\$26,015,698 R

\$7,159,000 NR

Total Position Changes

1.00

Revised Total Budget

\$932,817,701

**HEALTH
&
HUMAN SERVICES
Section G**

Health and Human Services

GENERAL FUND

Total Budget Approved 2007 Session	FY 08-09
	\$5,100,200,353

Budget Changes

(1.0) Division of Central Management and Support

- | | | | |
|----------|---|----------------------------|---------|
| 1 | Budget Department-wide Prior-Year Earned Revenues | | |
| | Requires prior-year earned revenue to be budgeted throughout the department and reduces State appropriations. | (\$7,200,000) | NR |
| 2 | Reduce Automation Reserve | | |
| | Reduces funding for the Automation Reserve Fund. | (\$3,634,966) | R |
| 3 | Eliminate Funding for Strategic LME Teams | | |
| | Eliminates funding in the Office of the Secretary for the strategic mental health Local Management Entity (LME) teams. These funds have been under-utilized since appropriated in 2006. | (\$300,000) | R |
| 4 | Budget Over-realized Unbudgeted Receipts | | |
| | Requires over-realized receipts throughout the department to be budgeted and reduces State appropriations. | (\$4,000,000) | R |
| 5 | Realign Funding from NC FAST | | |
| | Realigns part of the balance of funds in NC FAST, of which \$645,618 is to be used for the transition in claims processing for NC Health Choice. | (\$5,000,000) | NR |
| 6 | MMIS+ Replacement Project | | |
| | Provides a total of \$5,505,600 in receipts to be used for MMIS+ Replacement - \$917,600 in Prior Year Earned Revenue and \$4,588,000 in Federal Match. | | |
| 7 | NC NOVA | | |
| | Provides funding for the NC New Order Vision Award that is part of the star-rating certification of Adult Care Homes. | \$75,000 | NR |
| 8 | Health Net Grants | | |
| | Provides funding to sustain provider networks that coordinate free health care for low-income and uninsured patients. | \$2,800,000
\$950,000 | R
NR |
| 9 | Aid to Safety Net Community Health Centers | | |
| | Provides funding on a competitive grant basis to rural health centers, local health departments, qualified health centers, free clinics, school-based health centers, and entities providing preventive care. | \$2,700,000
\$2,300,000 | R
NR |

10 Rural Hospitals Operations and Maintenance

Provides funding for small rural hospitals for assistance with operations and infrastructure maintenance.

\$2,000,000 NR

11 Institute of Medicine

Provides funding for the Institute of Medicine to hire staff to undertake additional studies at the request of the General Assembly.

\$300,000 NR

12 Expand Adolescent School Health Centers

Provides funding on a competitive grant basis to School-based Health Centers providing preventive health care to children and adolescents.

\$250,000 NR

(2.0) Division of Aging and Adult Services

13 Project CARE

Provides funding for Project CARE (Caregiver Alternatives to Running on Empty), a respite-care program for caregivers of persons with Alzheimer's disease and dementia.

\$500,000 NR

14 Home and Community Care Block Grant

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

\$2,000,000 R

(3.0) Division of Child Development

15 Child Care Subsidies

Replaces General Fund appropriations for child care subsidies with \$6,336,921 in federal TANF block grant funds.

(\$6,336,921) R

16 TANF Funds for Child Care Subsidy Services

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

17 Three Criminal Records Check Positions

Provides funding for three positions in the Criminal Records Check Unit to help implement new types of record checks and ensure processing times do not increase for existing checks.

\$126,499 R
\$8,000 NR
3.00

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

18 T.E.A.C.H Early Childhood Education

Provides funding for the North Carolina T.E.A.C.H Early Childhood Project.

\$100,000 R

19 Regulatory Services Position

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

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

(4.0) Office of Education Services**20 Replace Telephone System for Governor Morehead School for the Blind**

Provides funding to purchase a new telephone/campus-wide emergency system for the Governor Morehead School for the Blind.

\$698,940 NR

21 Textbooks for Deaf and Blind Schools

Provides \$77,466 in nonrecurring receipts for textbooks.

(5.0) Division of Public Health**22 Budget State Public Health Laboratory Receipts**

Increases budgeted receipts for the State Public Health Laboratory to reflect actual collections and reduce State appropriations.

(\$401,379) R

23 Reduce WIC by Prior Year Reversions

Reduces State appropriations to the Women, Infant, and Children program to historic level of spending.

(\$305,095) R

24 Reduce Operating Funds (Accounts 2XXX Through 5XXX)

Reduces State appropriations for operating funds in the Division of Public Health to the historic level of spending.

(\$1,900,000) R

25 Eliminate Vision Care Program

Eliminates funding for the Vision Care Program.

(\$500,000) R

26 Realign Funding from BCCCP Program

Reduces State appropriations to the Breast and Cervical Cancer Control Program to the level of current utilization.

(\$500,000) R

27 Reduce Funds For Contracts (Account 6XXX)

Reduces State appropriations for operating funds in the Division of Public Health to the historic level of funding.

(\$2,000,000) R

28 Funds to Support State Facility Death Reporting Requirements

Provides funding to the Office of the Chief Medical Examiner for increased operating costs due to additional reporting requirements of deaths at State institutions.

\$64,700 R

29 Cystic Fibrosis Screening and Outreach

Provides funding from fee receipts for the addition of screening for Cystic Fibrosis to the panel of tests administered to newborns. The salaries of five positions associated with test and follow up are supported by fee receipts of \$989,320. 5.00
 Public Health Genetic Counselor (1) - \$50,628
 Public Health Educator III (1) - \$50,628
 Medical Laboratory Technologist II (1) - \$48,528
 Laboratory Improvement Consultant (1) - \$55,150
 Medical Laboratory Specialist (1) - \$55,150

30 Obesity Prevention

Provides funding for comprehensive demonstration projects to reduce obesity and the chronic diseases caused by obesity. \$2,000,000 NR

31 OCME Toxicology Laboratory Improvements

Provides funding for an additional position to alleviate a backlog in toxicology tests and to purchase new equipment. \$151,379 R
\$350,000 NR
1.00
 Chemist II (1) - \$61,044

32 Improve Birth Outcomes and Reduce Infant Mortality

Provides funding to educate women on the benefits of progesterone, to purchase medication for eligible women at risk for pre-term births, and for the development and implementation of a safe sleep public awareness campaign. \$247,000 NR

33 Funds for Dental Supplies

Provides funding to restore and expand the Fluoride Mouth Rinse Program to low-income children at risk of tooth decay. \$250,000 R

34 Vital Records

Provides funding for Vital Records Section to relocate to more efficient space and for two new positions associated with the move. Funded by \$800,000 in receipts.
 Office Assistant IV (1) - \$32,132
 Public Safety Officer (1) - \$39,247

35 State Public Health Laboratory Position Conversions

Provides funding to reallocate 4 positions to reestablish an Assistant Director and 3 scientifically-oriented positions. Funded by \$164,302 in receipts.
 Assistant Laboratory Director (1)
 Laboratory Safety Officer (1)
 Medical Laboratory Technologists (2)

36 Tobacco Quitline

Provides funding for medical and counseling services to persons using tobacco. \$500,000 R

37 Communities for Eliminating Health Disparities Initiative

Provides funding for grants-in-aid to community programs seeking to prevent chronic illness among minority populations. \$1,000,000 R

38 Healthy Carolinians		
Provides funding for local health departments to establish and maintain infrastructure to reduce rates of diabetes, cancer, heart disease, obesity, injury, and infant mortality.	\$435,306	NR
39 Aid to Local Health Departments	\$5,000,000	R
Provides funding to Local Health Departments based on need and current health status data, for the ten essential services of public health.		
40 Women's Health Services	\$100,000	R
Provides funding for family planning to uninsured women who are not eligible for Medicaid.		
41 Healthy Start	\$500,000	R
Provides funding for a grant-in-aid to the Healthy Start Foundation.		
42 Recruitment of Minorities into Pharmacy Schools	\$275,000	NR
Provides funding to continue a program to enhance recruitment of minority students for Schools of Pharmacy.		
43 Prevent Blindness	\$150,000	NR
Provides funding for a grant-in-aid to Prevent Blindness North Carolina to expand the pre-kindergarten screening program.		
44 Adolescent Pregnancy Prevention Program	\$75,000	R
Provides funding for a grant-in-aid to the Adolescent Pregnancy Prevention Coalition of North Carolina.		
45 Osteoporosis Education	\$125,000	NR
Provides funding for a grant-in-aid to North Carolina Osteoporosis Foundation for public education and awareness activities.		
46 Poison Control Center	\$200,000	R
Provides funding to increase the State contract with the Poison Control Center operated by the Carolinas Medical System.		
47 Medically-Fragile Children's Program	\$70,000	NR
Provides funding for services for the child care component of pediatric day treatment centers for medically-fragile children. Additionally, \$290,000 is also allocated from Social Services Block Grant.		
(6.0) Division of Social Services		
48 Work First Cash Assistance	(\$9,352,223)	R
Reduces State appropriations for Work First Cash Assistance.		

<p>49 Adjust State/County Special Assistance Reduces funding for the State/County Special Assistance Program to the anticipated level of spending for FY 2008-09.</p>	<p>(\$2,500,000)</p>	<p>R</p>
<p>50 State/County Special Assistance Rate Increase Provides funding to increase the State/County Special Assistance Rate from \$1,173 to \$1,203 per month, effective January 1, 2009.</p>	<p>\$2,500,000</p>	<p>R</p>
<p>51 Foster Care and Adoption Assistance Payments Provides funding to implement a new foster care reimbursement system, effective January 1, 2009.</p>	<p>\$8,336,921</p>	<p>R</p>
<p>52 Adoption Incentive Provides \$1,000,000 in receipts (\$500,000 from the Social Services Block Grant and \$500,000 from county funds) to help the families of an additional 125 medically-fragile adopted children in meeting non-medical expenses.</p>		
<p>53 Child Care Support Enforcement Fee Receipts Increases budgeted receipts of \$1,800,000 in Child Support Enforcement (CSE) collected from a new federally-required fee for child support collections, effective October 1, 2007: \$1,200,000 for payment of federal receipts, \$450,000 for county-operated CSE offices, and \$150,000 to replace under-collected receipts in state-operated CSE offices.</p>		
<p>54 Food Banks Provides funding to be equally distributed to the regional network for food banks in North Carolina. Up to \$500,000 of the increased funding may be used to offset increased costs for fuel consumption related to transporting food.</p>	<p>\$1,500,000</p>	<p>NR</p>
<p>55 Child Advocacy Centers Provides funding for grants-in-aid for each certified child advocacy center.</p>	<p>\$350,000</p>	<p>R</p>
<p>56 Work First Block Grant Positions Provides funding for two positions in Child Welfare Services to monitor the Work First Block Grant in all 100 counties to ensure compliance with federal regulations. Funded by \$118,000 from the federal TANF block grant.</p> <p>Social Services Regional Program Representatives (2) - \$45,238 each, or \$90,476 total.</p>		

57 Child Welfare Collaborative Funds

Provides funding to expand social work programs in higher education at four additional universities to increase the number of persons holding Bachelors of Social Work and Masters of Social Work degrees working in Child Protective Services in local departments of social services. In addition to this funding, up to \$2,738,827 is available for various child welfare training projects in the Social Services Block Grant.

\$900,000 NR

(7.0) Division of Medical Assistance

58 Technical Adjustment - Medicaid Rebase

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

(\$65,524,706) R

59 Provider Inflationary Freeze (50.5%)

Reduces funding for Medicaid provider inflation due to a 50.5% freeze. The freeze applies to all public and private providers except for federally qualified health centers, rural health centers, school-based and school-linked health centers, State institutions, hospital outpatient, pharmacy, and the non-inflationary components of the case-mix reimbursement system for nursing facilities.

(\$28,402,469) R

60 Community Support Program Refunds

Reduces funding for the Community Support Services Medicaid program, with a \$37,390,624 reduction in requirements and a \$25,100,326 reduction in receipts. These funds are estimated based on refunds due to the State resulting from provider post-payment reviews and audits. The reduced receipts represent federal and county share of refunds.

(\$12,290,298) NR

61 Cap on Community Support Program Service Hours

Reduces funding for the Community Support Services program due to a reduction in the allowable service hours per consumer per week from 15 to 8. Increased documentation will be required for a consumer to receive more than 8 hours per week.

(\$9,082,049) R

62 Tighten Eligibility and Revise Community Support Service Guidelines

Reduces funding for the Community Support Services program, with a \$197,908,816 reduction in requirements and a \$132,856,188 reduction in receipts due to cost-saving measures implemented in FY 2007-08.

(\$65,052,627) R

The net savings resulting from the two recurring Community Support Services program cuts shown in this report represent the State share of a total 30% reduction in the 2008-09 budget.

<p>63 Additional Drugs on the State Maximum Allowable Cost (SMAC) List Reduces funding due to savings generated by adding generically available specialty drugs to the State Maximum Allowable Cost (SMAC) list and the pricing of single-source specialty drugs using enhanced specialty discounts.</p>	<p>(\$4,405,389)</p>	<p>R</p>
<p>64 Management of Chronic Care by CCNC Reduces funding for the Medicaid Program due to an expansion of the implementation of chronic care management programs for the aged, blind, and disabled through Community Care of North Carolina.</p>	<p>(\$28,645,618)</p>	<p>R</p>
<p>65 Delayed Start to NC Kids' Care Reduces funding for NC Kids' Care due to the delayed start of the Health Choice NC Kids' Care health insurance program to April 1, 2009.</p>	<p>(\$5,191,000)</p>	<p>NR</p>
<p>66 CAP-MR/DD Tiered Slots Provides funding for additional Community Alternatives Program Mental Retardation/Developmental Disability (CAP-MR/DD) slots.</p>	<p>\$8,232,411</p>	<p>R</p>
<p>67 Mental Health Screening and Assessments in Adult Care Homes Provides funding to implement a mental health screening program for residents of adult care homes. Non-recurring funds will allow for 7,800 evaluations in FY 2008-09; recurring funds will provide approximately 850 evaluations in future years.</p>	<p>\$198,846 \$1,905,648</p>	<p>R NR</p>
<p>68 MMIS Code Conversion to HCPCS Provides funding for the conversion of locally-developed claims processing codes to nationally-accepted codes (HCPCS) in the existing MMIS system in order to comply with federal mandates.</p>	<p>\$3,500,000</p>	<p>NR</p>
<p>69 Program Integrity Section Improvements Provides funding for nine positions and operating expenses to increase the efficacy and efficiency of the Medicaid Program Integrity Section. Position classifications, number of FTEs, and annual salaries are listed below:</p> <p>Data Mining Project Manager (1) - \$69,082 Statistician (1) - \$63,044 Business Officer III (1) - \$66,001 Social Case Worker Field Investigator (4) - \$57,666 each, or \$230,664 in total Processing Assistants (2) - \$31,132 each, or 62,264 in total.</p> <p>Funds will also support a new data mining software to improve pharmacy recoupment activities and a consolidated complaint line.</p> <p>Savings are projected due to increased collections from overpayments of Medicaid claims.</p>	<p>(\$417,376) \$69,816 9.00</p>	<p>R NR</p>

70 Money Follows the Person Administrative Funding	\$59,186	R
Provides funding for two positions and operating expenses to implement the federal Money Follows the Person grant. Position classifications, number of FTEs, and annual salaries are as follows:	(\$262,709)	NR
Mental Health Planner Evaluator (1) - 57,666	2.00	
Office Assistant III (1) - \$33,621.		
Savings generated by transitioning individuals from long-term care facilities to community-based services result in a net reduction in appropriation.		
71 Increase Dental Rates	\$5,000,000	R
Provides funding for a 5 percent increase in dental reimbursement rates.		
(8.0) NC Health Choice		
72 NC Health Choice Expansion	\$10,387,650	R
Provides funding to expand the NC Health Choice program to support an additional 10,683 children, for a total of 133,036 children.		
73 NC Health Choice Claims Processing Transition	\$645,618	NR
Provides funding for costs associated with the transition of claims processing from the Blue Cross Blue Shield system to the new Power MHS system. Funds come from realigned NC FAST funds and \$850,000 in prior year earned revenue receipts.		
(9.0) Divisions of Services for the Blind and Services for the Deaf and Hard of Hearing		
74 Accessible Electronic Information for Blind and Disabled Persons	\$75,000	NR
Provides funding to continue accessible electronic information services for blind and disabled persons.		
(10.0) Division of Mental Health, Developmental Disabilities, and Substance Abuse Services		
75 Budget Over-Realized Mixed Beverage Receipts	(\$500,000)	R
Increases budgeted receipts for substance abuse services based on historical collections of mixed-beverage receipts. Funds are paid to DHHS by local Alcohol Beverage Control boards as required by GS 18B-805(b)(3).		
76 Budget Patient Receipts to Anticipated Collection Amount	(\$12,000,000)	R
Increases budgeted patient receipts at the State's mental health, developmental disability, and substance abuse services facilities.		
77 Budget Prior Year Cost Settled Funds	(\$500,000)	NR
Increases budgeted receipts from prior year cost settled funds.		

<p>78 Management Flexibility Reserve Reduces funding for new positions and associated costs funded in the Division of MH/DD/SAS by 30% and allows management flexibility in handling the cut. Of the funds reduced, \$4,083,477 is from salaries and benefits funding and \$191,653 from operating funding.</p>	<p>(\$4,275,130)</p>	<p>NR</p>
<p>79 Mobile Crisis Intervention Teams Provides funding to provide operating subsidies to 30 mobile crisis teams state-wide. Also provides start-up funding for 11 crisis teams to bring the total number of teams state-wide to 30.</p>	<p>\$4,655,000 \$1,100,000</p>	<p>R NR</p>
<p>80 New Local Psychiatric Inpatient Bed Days Provides funding to pay for 10,000 new bed days in local psychiatric hospitals, including bed days for detoxification.</p>	<p>\$7,000,000 \$1,000,000</p>	<p>R NR</p>
<p>81 START Crisis Model for Developmental Disabilities Provides funding for 9 Developmental Disabilities Systemic, Therapeutic, Assessment, Respite, and Treatment (START) Crisis Model teams. These teams will operate under a regionally-purchased, locally-hosted model and will be supported by \$1 million in Medicaid receipts.</p>	<p>\$3,239,688 \$204,459</p>	<p>R NR</p>
<p>82 Respite Beds for Developmental Disabilities Provides funding for start-up and ongoing support of 12 respite beds for individuals with disabilities across the State.</p>	<p>\$903,375 \$177,617</p>	<p>R NR</p>
<p>83 Walk-In Crisis and Immediate Psychiatric Aftercare Provides funding to Local Management Entities (LMEs) for walk-in crisis and immediate psychiatric aftercare. Also provides funding for the purchase of telepsychiatry equipment.</p>	<p>\$4,463,947 \$1,650,000</p>	<p>R NR</p>

84 Clinical Staffing Ratios at Psychiatric Hospitals

\$7,275,824 R

Provides funding for 107 positions at the State's psychiatric hospitals to improve the direct care of clients by increasing staffing ratios. Total requirements for these positions are \$7,673,694, with \$397,870 in Medicaid receipts.

107.00

Broughton Hospital (63 FTEs):

Licensed Practical Nurse (32) - \$36,847 each, or \$1,179,104 in total

Registered Nurse B (16) - \$53,563 each, or \$857,008 in total

Psychiatrist (4) - \$179,212 each, or \$716,848 in total

Medical MD (1) - \$160,914

Health Care Technician II (10) - \$29,002 each, or \$290,020 in total

Cherry Hospital (20 FTEs):

Licensed Practical Nurse (2) - \$36,847 each, or \$73,694 in total

Registered Nurse B (10) - \$53,563 each, or \$535,630 in total

Psychiatrist (3) - \$179,212 each, or \$537,636 in total

Health Care Technician III (5) - \$33,194 each, or \$165,970 in total

Central Regional Hospital (24 FTEs):

Registered Nurse B (14) - \$53,563 each, or \$749,882 in total

Health Care Technician II (10) - \$29,002 each, or \$290,020 total.

85 Clinical and Operational Enhancements of State Facilities

\$1,802,561 R

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

\$51,951 NR

19.00

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

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

State-Operated Services Compliance Team

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

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

Clinical Policy Section

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

HEARTS Training Coordinator (patient billing system)

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

DHHS Controller's Office

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

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

Longleaf Neuro-Medical Center

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

86 Recruitment and Workforce Development at State Facilities

\$1,270,519 R

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

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

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

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

87 Resident Furnishings

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

88 Dorothea Dix Hospital Overflow Unit

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

\$5,212,166 NR
96.85

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

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

89 Realignment of Mental Health Trust Fund Funding for Housing 400 Initiative

Realigns unallocated funding from the Mental Health Trust Fund to the Housing Trust Fund to continue the Housing 400 Initiative.

(\$2,000,000) NR

90 Continuing the Housing 400 Initiative - Housing Trust Fund

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

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

91 Continuing the Housing 400 Initiative - Operating Cost Subsidy

\$1,000,000 R

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

92 Julian F. Keith ADATC Pharmacy

\$472,785 R

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

4.00

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

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

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

93 Regionally-Purchased, Locally-Hosted Substance Abuse Programs

\$2,000,000 R

Provides funding for regionally-purchased, locally-hosted substance abuse programs.

94 CAP-MR/DD Tiered Slots

Provides \$8,232,411 in recurring funding for additional Community Alternatives Program Mental Retardation/Developmental Disability (CAP-MR/DD) slots.

The funds for this item are located in the Division of Medical Assistance section of this report.

95 Early Intervention for Autism

Provides funding for three model programs of early intervention for autism across the State. The Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (DMHDDSAS) may contract directly with service providers for service provision in these model programs.

\$1,300,000 NR

Early intervention with children with autism includes children from birth to age 10.

96 Supportive Services for HUD 811 Projects

Provides funding for on-going operations and start-up expenses to support 6 two-bedroom and 19 one-bedroom apartments financed through the United States Department of Housing and Urban Development.

\$129,331 R
\$155,000 NR

97 Program Service Funding for Group Homes

Provides funding for on-going program service funding for two group homes under development by the Mental Health Association in N.C., Inc.

\$200,000 R

98 Traumatic Brain Injury Services

Provides funding for the provision of traumatic brain injury (TBI) services.

\$1,000,000 R

99 Beyond Academics: Intellectual Disability Transition Program

Provides funding to support Beyond Academics, a non-degree university-based program for students with developmental disabilities to assist them in living as independently as possible.

\$200,000 NR

(11.0) Division of Health Service Regulation

100 Increase Staff for Reviewing Construction Plans

Provides funding for eight new positions for the Construction program to provide a more timely review of construction plans for health care and local confinement facilities. The funding for these positions will be offset by increased fees that will be deposited into the General Fund as non-tax revenue. Positions classifications, FTEs, and annual salaries are listed below.

\$787,918 R
\$34,110 NR
8.00

Building System Engineer III (1) - \$85,184
Facility Architect II (3) - \$74,213 each, or \$222,639 in total
Building System Engineer II (2) - \$74,213 each, or \$148,426 in total
Building System Engineer I (1) - \$64,762
Processing Assistant IV (1) - \$31,132.

(12.0) Division of Vocational Rehabilitation

101 Vocational Rehabilitation Case Services Program

Reduces funding due to a decline in the number of consumers served.

(\$2,000,000) NR

Budget Changes	(\$158,927,278)	R
	(\$8,303,506)	NR
Total Position Changes	254.85	
Revised Total Budget	\$4,932,969,569	

**NATURAL
&
ECONOMIC
RESOURCES
Section H**

Agriculture and Consumer Services

GENERAL FUND

Total Budget Approved 2007 Session	FY 08-09
	\$60,699,001

Budget Changes

Agronomic Services

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

Department Wide Receipts

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

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

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

Emergency Programs

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

Business & Technology Applications Analyst	\$79,219
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Food and Drug

4 Receipt Supported Position

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

Agricultural Microbiologist II \$47,305

5 Over-Realized Receipts to Replace Appropriation

(\$130,000) R

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

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

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

Food Distribution

6 Farm to School Program

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

\$200,000 NR

Marketing

7 Over-Realized Receipts to Replace Appropriation

(\$145,000) R

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

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

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

8 Green Industries Education and Promotion

Provides funding for the following items to support the green industry in North Carolina:

\$600,000 NR

Water Conservation Education	\$200,000
Water Conservation Promotion	\$400,000

Meat and Poultry

9 Food Safety and Security Positions

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

\$141,335 R
 \$2,705 NR
 2.00

Reserves and Transfers

10 Agricultural Development and Farmland Preservation (NCADFP) Trust Fund

Provides funding for the NC ADFP Trust Fund to prevent the continued loss of our State's farmlands. Also, these funds will assist in the protection of our natural resources, wildlife habitat, and water resources.

\$4,000,000 NR

11 Operating Efficiency Reductions

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

(\$750) R

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

Standards

12 Receipt Supported Positions

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

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

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

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

Veterinary Services

13 Receipt Supported Position

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

Medical Lab Technologist II	\$67,672
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14 Transfer Support Positions from Federal Funding to State Appropriations	\$117,417	R
Transfers three federally funded administrative support positions to State appropriation due to a reduction in federal funds.	3.00	
15 Rollins Lab Incinerator and Freezers	\$525,000	NR
Appropriates funds to replace the incinerator at Rollins Lab and provide two freezers for the regional laboratory system.		
Budget Changes	(\$317,116)	R
	\$5,327,705	NR
Total Position Changes	6.00	
Revised Total Budget	\$65,709,590	

Labor

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09

\$16,594,951

Budget Changes

Elevator and Amusement Device Bureau

16 Receipt Supported Positions

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

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

Occupational Safety and Health

17 Federal Funding Offset for Operating Funds

\$719,493 R

Provides funds to offset several years of static growth in federal funds.

18 Replace Partially Funded Positions

\$51,392 R

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

1.00

Budget Changes

\$770,885 R

Total Position Changes

1.00

Revised Total Budget

\$17,365,836

Environment & Natural Resources

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$192,815,663

Budget Changes

(1.0) Department Wide

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

Reduces the following line items:

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

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

(1.0) Natural Resource Conservation Planning

20 River Herring Research \$150,000 NR

Continues funding to a variety of river herring research projects including working with local fishermen in the Albemarle Sound system to collect river herring samples, watershed survey and mapping of viable habitats and blockages to fish passage, and providing matching funds for habitat restoration.

(2.0) Coastal Management

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

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

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

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

(2.0) Environmental Health

22 Environmental Health Operating Efficiencies

(\$394,833) R

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

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

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

*These items reduce the Mosquito Control Fund.

(2.0) Land Resources

23 Land Resources Operating Efficiencies

(\$19,343) R

Reduces the following line items the Division of Land Resources:

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

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

24 Landslide Hazard Mapping Program

\$397,480 R

Provides funds to shift three receipt supported positions within the Landslide Mapping/Geohazards Program to General Fund appropriation.

(2.0) Pollution Prevention & Env. Assistance

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

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

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

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

26 Continue Environmental Stewardship Initiative \$276,624 R

Restores funding for the Environmental Stewardship Initiative. This funding was made non-recurring in FY2007-08 pending a continuation review.

(2.0) Waste Management

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

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

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

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

28 Orphan Site Cleanup \$400,000 NR

Provides funding to support the cleanup of approximately 100 uncontrolled, inactive hazardous waste sites.

(2.0) Water Quality

29 Water Quality Operating Efficiencies

(\$73,960) R

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

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

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

30 Swine Farm Permitting and Compliance Positions

\$108,550 R

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

3.00

31 Water Quality Monitoring on Ferry Vessels

\$384,355 NR

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

(2.0) Water Resources

32 Water Resources Operating Efficiencies

(\$33,408) R

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

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

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

(3.0) Aquariums

33 Aquariums Operating Efficiencies

(\$114,754) R

Reduces the following line items in for the Aquariums:

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

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

(3.0) Forest Resources

34 Forest Resources Operating Efficiencies

(\$412,278) R

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

Straight Overtime Pay	\$ 50,052
Overtime Pay	\$362,226

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

35 Forest Development Fund

(\$589,500) R

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

(3.0) Marine Fisheries

36 Marine Fisheries Operating Efficiencies

(\$146,312) R

Reduces the operating budget of the Division by \$146,312. The remaining \$853,688 transferred each year to the Universities by DMF may only be used for the Sea Grant Program.

37 Transfer Commercial License Receipt Positions to State Appropriations

\$500,000 R

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

8.62

(3.0) Museum of Natural Sciences

38 Museum Operating Efficiencies

(\$50,242) R

Reduces the following line items in for the Museum:

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

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

(3.0) Office of Environmental Education

39 Environmental Education Operating Efficiencies

(\$2,413) R

Reduce the office equipment budget in the Office of Environmental Education by \$2,413.

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

(3.0) Parks and Recreation

40 Parks and Recreation Operating Efficiencies

(\$235,177) R

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

Other Equipment	\$235,177
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This reduction was included in the Governor's recommended reduction to the Department.

(3.0) Soil and Water Conservation

41 NC Agriculture Cost Share Financial Assistance (\$268,331) R
 Reduces the financial assistance side of the Agriculture Cost Share program.

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

42 NC Agriculture Cost Share Technical Assistance \$350,000 NR
 Provides money for the 50-50 cost share to local soil and water conservation districts and counties for technical and engineering assistance in promoting water quality best-management practices through the Agriculture Cost Share Program.

43 Agricultural Drought Response \$3,900,000 NR
 Funds the following items:

Pasture Renovation	\$3,000,000
Well Drilling and Repair	\$ 500,000
Pond Renovation or Construction	\$ 400,000

44 Lagoon Conversion Program \$72,633 R
 Continues the lagoon conversion program established in S.L. 2007-523. The program awards grants to assist in converting existing anaerobic lagoon animal waste management systems to more technologically advanced animal waste management systems. Creates an Environmental Engineer II position to provide technical assistance and oversee the implementation of the grants. \$14,294 NR
 1.00

(3.0) Zoo

45 NC Zoological Park Operating Efficiencies (\$50,473) R
 Reduces the following line items for the Zoo:

Other Motorized Vehicles	\$50,473
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This reduction was included in the Governor's recommended reduction to the Department.

(4.0) Reserves and Transfers

46 Drought Reserve \$1,500,000 NR
 Provides funding for the following drought related items to DENR:

Three Water Supply Interconnections	\$650,000
Local Water Audits	\$800,000
Drought Education Materials	\$ 50,000

47 Clean Water State Revolving Fund Match \$2,456,249 NR
 Provides funds to meet the 20% State match requirement for drawing down the maximum available federal funds for the Wastewater Treatment Plant (Clean Water) State Revolving Fund.

48 Drinking Water State Revolving Fund Match

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

\$5,539,000 NR

49 Beaver Management Assistance Program

Shifts funding for the Beaver Management Assistance Program from General Fund support to receipts within the Wildlife Resources Commission. The House and Senate Appropriations Subcommittees on Natural and Economic Resources shall review this reduction in the FY 2009-10 to determine if this reduction caused undue hardship to the Wildlife Resources Commission.

(\$349,000) R

50 Grassroots Science Museums Operating Efficiencies

Reduces the pass-through appropriation to the Grassroots Science Museums by 2.7%.

(\$95,041) R

51 Partnership for the Sounds Operating Efficiencies

Reduces the pass through Partnership for the Sounds by \$14,162.

(\$14,162) R

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

Budget Changes**(\$1,576,388) R****\$14,693,898 NR****Total Position Changes**

12.62

Revised Total Budget**\$205,933,173**

DENR-Clean Water Management Trust Fund

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09

\$100,000,000

Budget Changes

52 NO LEGISLATIVE ACTION REPORTED.

Budget Changes

Total Position Changes

Revised Total Budget

\$100,000,000

Commerce

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$45,289,341

Budget Changes

A. Administrative Services

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

B. Executive Aircraft

54 Aircraft Lease (\$1,156,428) NR
Delays the lease of a replacement aircraft for the King Air B-200. The Department will not take receipt of the new aircraft until June 2009.

55 Executive Aircraft Operating Efficiencies (\$20,651) R
Reduces the Other Insurance line item in the Executive Aircraft budget. This reduction was included in the Governor's recommended reduction to the Department.

C. Science and Technology

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

D. MIS

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

E. Policy and Research

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

59 Economic Development Information System

Provides funds for the continued expansion of the Economic Development Information System (EDIS) and to increase the ability of the Department to provide strategic economic impact analysis. \$150,000 NR

F. Marketing

60 Marketing Operating Efficiencies

Reduces the Print, Bind, Duplicate line item in the Marketing budget. This reduction was included in the Governor's recommended reduction to the Department. (\$8,042) R

61 Commerce Webmaster

Provides funds to establish a webmaster position within the Department of Commerce. The position will be responsible for both editorial and marketing content for the Department's website, and will provide division content authors with editorial oversight to ensure Commerce's overall message stays unified throughout the site. In addition, the position will support the implementation of metrics-based marketing analytics to track the website's effectiveness and then manage Internet-based marketing programs to increase both site traffic and site effectiveness. \$78,900 R
1.00

62 Transfer High Point Furniture Market Funds to State Aid

Transfers the pass-through appropriation to the High Point International Home Furnishings Market Authority Corporation to the Commerce - State Aid fund code. Most recurring funding for non-profits that passes through Commerce is in the State Aid budget. (\$875,000) R

G. Business and Industry

63 Business and Industry Operating Efficiencies

Reduces the following line items in the Business and Industry Division: (\$41,768) R

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

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

64 Building and Sites Website Redesign

Provides funds for the redesign and upgrade of the Building and Sites website. \$100,000 NR

H. International Trade**65 International Trade Operating Efficiencies** (\$19,146) R

Reduces the following line items in the International Trade Division:

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

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

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

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

67 International Trade Office - China \$350,000 R

Provides funding to support a new International Trade Office in China. Funds will be used to contract for one position to work with business and industry in China to recruit Chinese investment in the State, and one position to work with North Carolina companies to increase trade with China.

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

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

I. Tourism, Film, and Sports Development**69 Tourism, Film, and Sports Development Operating Efficiencies** (\$88,926) R

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

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

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

70 Travel and Tourism Funds \$500,000 NR

Provides additional funds for the Division of Tourism, Film, and Sports Development

J. Welcome Centers

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

Reduces the following line items in the Welcome Centers budget:

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

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

K. Wanchese Seafood Industrial Park

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

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

L. Commerce Finance

73 Commerce Finance Operating Efficiencies (\$4,080) R

Reduces the PC Software line item in the Commerce Finance budget. This reduction was included in the Governor's recommended reduction to the Department.

74 One North Carolina Fund

Provides funds for One North Carolina to offer economic development incentive grants to businesses creating new jobs in the State for infrastructure, repair and renovation, and machine or equipment purchases. \$4,500,000 NR

75 One North Carolina Small Business

Appropriates funds for the Department of Commerce to provide grants under the North Carolina SBIR/STTR Incentive Program. \$5,000,000 NR

76 Green Business Fund

Appropriates funds to the NC Green Business Fund to provide grants to private businesses with less than 100 employees, non-profit organizations, and State agencies to encourage the growth of a green economy in the State. \$1,000,000 NR

M. Community Assistance

77 Community Assistance Operating Efficiencies (\$21,518) R

Reduces the following line items in the Division of Community Assistance:

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

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

N. Industrial Commission

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

Reduces the following line items in the Industrial Commission budget:

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

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

79 Receipt Supported Position

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

Technology Application Specialist \$110,620

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

Changes the funding for the Safety Inspection Program in the Industrial Division to non-recurring. This program is subject to continuation review. \$671,665 NR

O. Wine and Grape Growers Council

81 Receipt Supported Positions

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

2 Tourist Information Specialists \$132,476

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

Budget Changes	(\$1,415,267)	R
	\$10,765,237	NR
Total Position Changes		1.00
Revised Total Budget	\$54,639,311	

Commerce - State Aid

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$21,361,485

Budget Changes

82 Non-Profit Operating Efficiencies	(\$213,615)	R
Reduces pass-through appropriations to non-profits by one percent.		
83 Eliminate Fund Balance for Manchester CDC, Inc.	(\$10,000)	NR
Eliminates a fund balance for Manchester CDC, Inc. These funds were appropriated for this entity in FY 2005-06, but were never drawn down.		
84 Transfer Furniture Market Funds to State Aid	\$866,250	R
Transfers the pass-through appropriation to the High Point International Home Furnishings Market Authority Corporation from the Commerce fund code and reduces the appropriation by one percent. All recurring funding for non-profits that passes through Commerce is in the State Aid budget.		
85 Coalition of Farm and Rural Families	\$297,000	NR
Provides funds to the Coalition of Farm and Rural Families.		
86 Johnson and Wales University	\$1,000,000	NR
Provides funds to Johnson and Wales University in Charlotte, a private university that specializes in the culinary and hospitality industries.		
87 Defense and Security Technology Accelerator	\$200,000	NR
Provides funds for the Partnership for Defense Innovation to support the Defense and Security Technology Accelerator, a business incubator focusing on economic development opportunities in industries relating to homeland security and national defense.		
88 Biofuels Center of North Carolina	\$5,000,000	NR
Provides funds for the Biofuels Center's costs of implementing the North Carolina Strategic Plan for Biofuels Leadership developed under S.L. 2006-206.		
89 Regional Economic Development Commissions	\$500,000	NR
Provides additional funds to the Commissions to be distributed in accordance with the formula for distribution in S.L. 2007-323.		

Budget Changes	\$652,635	R
	\$6,987,000	NR
Total Position Changes		
Revised Total Budget	\$29,001,120	

N.C. Biotechnology Center

GENERAL FUND

Total Budget Approved 2007 Session	FY 08-09	
	\$15,583,395	
<hr/>		
Budget Changes		
90 Biotech Center Operating Efficiencies	(\$155,834)	R
Reduces the pass-through appropriation to the NC Biotechnology Center by one percent.		
<hr/>		
Budget Changes	(\$155,834)	R
Total Position Changes		
Revised Total Budget	\$15,427,561	

Rural Economic Development Center

GENERAL FUND

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

Budget Changes

- 91 Rural Center Operating Efficiencies** (\$243,026) R
 Reduces the pass-through appropriation to the Rural Center by one percent.
- 92 Water and Sewer Grants** \$50,000,000 NR
 Appropriates additional funds to the Rural Center to provide grants to local units of government to address critical needs related to supplying drinking water and wastewater treatment.
- 93 Economic Infrastructure Fund** \$10,000,000 NR
 Provides additional funds to the Rural Center's Economic Infrastructure Fund to establish and implement the Rural Economic Transition Program. This program shall provide grants and equity investments in severely distressed rural areas.

Budget Changes	(\$243,026) R
	\$60,000,000 NR
Total Position Changes	
Revised Total Budget	\$84,059,581

JUSTICE
&
PUBLIC SAFETY
Section I

Judicial

GENERAL FUND

Total Budget Approved 2007 Session	FY 08-09
	\$452,389,917

Budget Changes

Department-wide

- | | | |
|--|-------------|----|
| 1 Reduce Telephone Service | (\$927,972) | R |
| Reduce funding for telephone services since effective July 1, 2008, this becomes the responsibility of the counties pursuant to G.S. 7A-302 | | |
| 2 Reduce Telephone Equipment | (\$730,277) | R |
| Reduce funding for telephone equipment since effective July 1, 2008, this becomes the responsibility of the counties pursuant to G.S. 7A-302 | | |
| 3 Judicial Training Funds | \$180,000 | R |
| Funding is provided to establish two positions within the Administrative Office of the Courts. These positions will coordinate with the School of Government to provide training for judges, prosecutors, Clerks of Courts, and magistrates. | | |
| | \$70,000 | NR |
| | 2.00 | |

Sentencing Commission

- | | | |
|--|-----------|----|
| 4 Sentencing and Policy Advisory Commission Staff | \$102,913 | R |
| Funds are provided for a Senior Research and Policy Associate to assist the Commission with the formulation of sentencing laws and policy and with various research activities requested by the Legislature. | | |
| | \$11,527 | NR |
| | 1.00 | |

Trial Courts

- | | | |
|---|-------------|---|
| 5 Dispute Resolution Centers | (\$103,808) | R |
| Governor's Recommendation: eliminate budget for the closed dispute resolution centers: Scotland (\$35,000), 1st District (451,977), and Polk (\$16,831) | | |
| 6 Eliminate 3 Special Superior Court Judge Positions | (\$478,954) | R |
| Eliminate three vacant special superior court judge positions, which were previously not included in the Judicial Branch expansion budget request. | | |
| | -3.00 | |

7 Eliminate Drug Treatment Court Reserve	(\$294,613)	R
Eliminate 2.75 drug treatment court positions authorized during the 2007 long session to replace existing federal and county grant funds. Of the 5.75 positions of this nature, 3.00 FTE have been established. Funds for 2.75 FTE remain in a reserve for this purpose.	-2.75	
8 Eliminate Judicial Assistants	(\$84,862)	R
Eliminate 2 judicial assistant positions authorized in the 2007 long session to assist the new special superior court judges.	(\$6,668) -2.00	NR
9 Guardian ad Litem Program Staff	\$318,664	R
Funding is provided for 3 new program supervisor positions and to upgrade a part-time program supervisor position to full time. In addition, funds are provided to upgrade 7 program assistant positions from part time, 0.75 FTE, to full time.	\$8,478 5.00	NR

Budget Changes	(\$2,018,909)	R
	(\$1,611,747)	NR
Total Position Changes		0.25
Revised Total Budget	\$448,759,261	

Judicial - Indigent Defense

GENERAL FUND

Total Budget Approved 2007 Session	FY 08-09
	\$115,991,348

Budget Changes

Department-Wide

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

Indigent Person Attorney

11 Funding for Private Assigned Counsel	\$1,000,000	NR
Provide \$1,000,000 NR to address the increased demands for private assigned counsel as a result of continued growth and indigency rates.		

Sentencing Services

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

Budget Changes	(\$200,000)	R
	\$1,200,000	NR

Total Position Changes

Revised Total Budget	\$116,991,348
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Justice

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$92,171,670

Budget Changes

Department-Wide

13 Reduce Various Operating Budgets (\$456,525) R
 Governor's recommendation that inflationary increases be eliminated and budgets be reduced for Energy Service/Natural Gas/Propane (\$14,000R and \$19,026NR); Repairs - Motor Vehicles (\$60,000R) Telecommunications Data Charge (\$100,000R); Membership Dues and Subscriptions (\$46,500R); Software (\$14,750R); Autos, Trucks and Buses (\$69,275R); Maintenance Agreement-Other Data Processing Equipment (\$272,949NR); Energy Service/Fuel Oil (\$19,984NR); Equipment/Scientific Medical (\$100,000R); and Travel (\$52,000R) (\$311,959) NR

Justice Training Academy

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

Legal Services

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

Attorney III - Department of Commerce \$123,196
 Paralegal II - Department of Commerce \$61,301
 Accounting Tech III - Department of Public Instruction \$51,064
 Paralegal II - Administrative Office of the Courts \$61,301

SBI

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

Raleigh Crime Laboratory 1.0
 Asheville Crime Laboratory 1.0

17 Receipt Supported Position

Receipt supported position to be paid with SBI professional service fee receipts.

Forensic Firearms Analyst (nonsworn) \$91,821

Budget Changes	(\$289,120)	R
	(\$311,959)	NR
Total Position Changes		3.00
Revised Total Budget	\$91,570,591	

Juvenile Justice & Delinquency Prevention

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$139,556,104

Budget Changes

Administrative Services

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

Department-Wide

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

Detention Services

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

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

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

Intervention/Prevention

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

24 Expand JCPC County Allocation

\$1,000,000 R

Increase funding for the JCPC County formula allocation which goes to all 100 counties.

Special Initiatives**25 Eliminate funds for the Eckerd EFFORT project**

(\$2,695,662) R

Due to administrative barriers to implement the project as envisioned, funding for the Eckerd EFFORT project is eliminated.

26 Operating funds for Macon County MPGH

\$600,000 R

Provide funds for recurring operating funds for the Macon County Multipurpose Group Home. Non-recurring start-up fund were provided in the 2007 Session.

Youth Development Centers**27 Reduce funding for Triad YDC**

(\$450,000) NR

Reduce continuation budget funding for Triad Youth Development Center because of construction delays.

Budget Changes**\$21,531,264** R**(\$462,663)** NR**Total Position Changes**

30.00

Revised Total Budget**\$160,624,705**

Correction

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$1,226,627,581

Budget Changes

Alcoholism and Chemical Dependency Programs

28 Substance Abuse Treatment Program for Females	\$1,543,150	R
Provides funding for a 50-bed substance abuse treatment program for female parolees and probationers. Both 28-day and 90-day programs would be provided for approximately 300-360 females per year. Currently, the department does not have a treatment program for this population, although demand is estimated to be 4,725 parolees and probationers per year. The program would be located at the Black Mountain Correctional Center for Women, which will be vacated as the current inmates are relocated to a new facility.	\$348,218	NR
	35.00	

Community Corrections

29 Reserve for Probation Supervision	\$2,000,000	R
Establish a reserve fund to address critical staffing and resource needs in Probation and Parole Field Services. The designation of the funds is pending the outcome of a National Institute of Corrections review. Of these funds, \$1 million is non-recurring and non-reverting.	\$1,000,000	NR
 30 Restore CJPP Funding	 \$9,153,134	 R
The Governor recommends the funding be restored for the Criminal Justice Partnership Program (CJPP). The appropriation for the JCPCs was eliminated for FY 2008-09 pending the findings of a Continuation Review.		
 31 Criminal Justice Partnership Program	 \$500,000	 R
Increases the appropriation to the State County Criminal Justice Partnership Program by \$500,000. These additional funds will be allocated based on the program's existing funding formula.		
 32 Increase Women at Risk Pass-Through	 \$100,000	 NR
Increases the current \$350,000 recurring appropriation by \$100,000 NR. This program provides community-based treatment for females probationers. This appropriation also expands services in 10 Western counties, including Buncombe, Henderson, McDowell, Rutherford, Yancey, Madison, Haywood, Jackson, Transylvania, and Polk.		

33 Increase Summit House Pass-Through

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

\$100,000 NR

Custody and Security**34 Reduce Budget for Building/Acquisition Costs**

Reduces the budget for building/acquisition costs based on prior year expenditures.

(\$175,000) R
(\$125,000) NR**Department Management****35 Support Positions for Construction Projects**

Provides funding for five engineers, one architect, and contractual positions to support current and future design and construction work related to department facilities. These positions are necessary to maximize the benefits of the Inmate Construction Program and realize a cost savings of 28% compared to using outside contractors.

\$1,668,278 R
\$213,491 NR
6.00**Department-Wide****36 Reduce Various Operating Budgets**

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

(\$1,300,000) R
(\$1,250,000) NR**37 Increase Federal Alien Assistance Receipts**

The State Criminal Alien Assistance Program (SCAAP) makes federal funds available to states for the purpose of recouping costs associated with incarcerating undocumented aliens. The department anticipates future funding from this program will exceed its current budget; therefore, it is recommended that budgeted receipts be increased for the annual SCAAP award.

(\$1,549,375) R

Prison Health Services**38 Reduce Various Medical Budgets**

Reduces various medical budget items within the Division of Prisons. This item eliminates the FY 2008-09 inflationary increases and reduces budgets for Prescription Drugs (\$1,800,000 R, \$100,000 NR), Medical Contractual Employees (\$1,500,000 R), Hospital Provided Medical Services (\$1,150,000 R, \$2,600,000 NR) and Other Provided Medical Services (\$2,189,426 R, \$300,000 NR).

(\$6,639,426) R
(\$3,000,000) NR**39 Increase Medical Recoupment Receipts**

Increases the budgeted receipts for medical recoupment. These receipts have been over-collected for the last two fiscal years.

(\$2,150,000) R

Prisons

40 Our Children's Place Administration

Provides funds for a contractual position to oversee services to incarcerated mothers and their children during the period of their incarceration.	\$50,000	NR
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Reserves

41 North Carolina GangNet

Provides funds to Durham County to enhance North Carolina GangNet, an Internet-based law enforcement intelligence sharing database that contains information about known gang members. This database has been available in Durham County for several years and is now being expanded statewide through federal funds. Through this appropriation, GangNet will be enhanced through the incorporation of gang data currently collected in the Offender Population Unified System (OPUS), which is maintained by the Department of Correction.	\$260,000	NR
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Budget Changes	\$3,050,761	R
	(\$2,303,291)	NR
Total Position Changes	41.00	
Revised Total Budget	\$1,227,375,051	

Crime Control and Public Safety

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$41,489,037

Budget Changes

Administration

42 Law Enforcement Support Services

Funding for warehouse rental costs. This program provides federal surplus equipment to local law enforcement free of charge. \$160,000 NR

Department - Wide

43 Reduce Various Operating Budgets

Governor's recommendation that the following FY 2008-09 budgets be reduced throughout the department: Administrative Services (\$25,000NR) Miscellaneous Contractual Services (\$98,100R), Rent Building/Office (\$45,000NR) Rent/Lease Other Data Processing Equipment (\$46,900R), Lodging In-State (\$15,482R), Other Employee Educational Expense (\$50,421NR) and General Office Supplies (\$20,000NR) (\$160,482) R
(\$140,421) NR

Emergency Management

44 Regional Response Teams

There are currently seven Hazardous Materials (HAZMAT) Regional Response Teams in the state. These HAZMAT teams respond to incidents such as the explosion and fire at the EQ chemical storage facility in Apex. To ensure adequate statewide coverage for hazardous material emergencies, the Governor's HAZMAT Task Force recommended in its December 2006 report that funding be provided to support the operating needs and equipment replacement for the HAZMAT teams. \$200,000 NR

Governor's Crime Commission

45 Crime Commission Study

Funds are provided for a contract to study the legal, systematic, and organizational impact of expanding the jurisdiction of the Department of Juvenile Justice and Delinquency Prevention to include persons 16 and 17 years of age. \$200,000 NR

46 Illegal Immigration Project

Funding to the Governor's Crime Commission to contract with the North Carolina Sheriffs' Association for immigration enforcement services. This funding will be used for technical assistance and training associated with immigration enforcement. \$1,000,000 NR

47 Reserve for Sheriff Department Grants

Should SB 869 become law, funds are provided to establish a reserve for the Governor's Crime Commission to award grants of up to \$25,000 each to eligible sheriffs' offices to assist with the enforcement of the State's sex offender laws. \$250,000 NR

National Guard

48 Tarheel Challenge Academy

Governor's recommendation: The Tarheel Challenge is designed to give high school dropouts a second chance at getting an education, with 70% of participants currently graduating from the program with their GED. It is recommended that funding be provided to increase the number of Tarheel Challenge graduates from 220 to 250 annually. This request also includes additional federal funds, which the state will receive as a result of the increase in program graduates. \$193,000 NR

49 Funding for the Tuition Assistance Program

Funding to support the National Guard Tuition Assistance Program. This appropriation will allow the program to assist more National Guard members with college tuition and book costs. \$200,000 NR

Victim Compensation Services

50 Funding for the Rape Victim Assistance Program

Funding to support the Rape Victim Assistance Program. This appropriation will allow for the expansion of the program's victim eligibility criteria allowing the program to pay bill co-pays for rape victims that have a collateral source of payment and 100 percent of forensic exam costs for rape victims that have no collateral source of payment. \$1,078,078 R

Budget Changes	\$917,596	R
	\$2,062,579	NR
Total Position Changes		
Revised Total Budget	\$44,469,212	

**GENERAL
GOVERNMENT
Section J**

Administration

GENERAL FUND

Total Budget Approved 2007 Session	FY 08-09
	\$70,959,534

Budget Changes

1264 Agency for Public Telecommunications

1 Camera and Recording Equipment

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

1421 Facilities Management

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

1511 Purchasing and Contracts

3 Personnel Reductions	(\$92,739)	R
Eliminates the salaries and related fringe benefits of one vacant State Procurement Specialist III (\$47,352 - 4108-0404-0006-740) and one vacant State Procurement Specialist II (\$45,387 - 4108-0405-0006-704).		
	-2.00	

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

1734 Rape Crisis Program

4 Sexual Assault/Rape Crisis Funds	\$1,000,000	R
Provides \$1 million in recurring funding to the Sexual Assault and Rape Crisis Center Fund for sexual assault and rape crisis services.		

1771 Veterans Affairs

5 Scholarships for Children of War Veterans	\$500,000	R
Funding is provided to increase educational scholarships and related educational materials, such as computers, for children of veterans killed or disabled during wartime. Authorizes the Department of Administration to increase the requirement receipts for the Scholarships for Children of War Veterans in the amount of \$1,150,000 from the Escheats Fund. The total amount for the Scholarship Program for FY 2008-09 is \$10,185,294, which includes 47,378,633 from Escheats and \$2,806,661 from the General Fund.		

1782 Domestic Violence Center

6 Domestic Violence Center Fund

The marriage license fee dedicated to the Domestic Violence Center Fund for domestic violence shelters is raised from \$20 to \$30. The total cost for a marriage license is \$60.00.

The divorce filing fee is raised from \$55 to \$65 and the additional \$10 is dedicated to the Domestic Violence Center Fund for domestic violence shelters.

1810 State Ethics Commission

7 Ethics Commission

Provides funding for one Paralegal III position (\$50,628) and \$230,000 nonrecurring for contractual services to reduce the backlog of work. Additional funds are provided for the purchase of law books (\$10,000 recurring) and a legal research tool (\$5,400 recurring).

\$79,048 R
\$233,000 NR
1.00

8 Lease and Moving Expenses

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

\$60,000 R
\$5,000 NR

9 Operating Budget Reductions

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

(\$6,655) R

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

1861 Commission of Indian Affairs

10 NC Indian Economic Development Initiative, Inc.

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

\$135,000 NR

7218 Mail Service Center

11 Letter Sorting Machine

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

\$300,877 NR

Department-wide

12 Decrease Operating Budget

(\$499,171) R

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

Department-wide:

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

13 Eliminate Vacant Positions

(\$204,798) R

Five vacant positions are eliminated:

-5.00

Title	Position Number	Salary
Tech. Support Technician	4119-0000-0007-479	\$26,247
Housekeeping Supervisor	4151-0304-0008-422	\$29,317
Gen. Utility Worker	4151-0400-0009-416	\$25,287
Bldg & Environmental Sup.	4151-1100-0013-024	\$27,380
Energy Conservation Rep II	4173-0000-0000-169	\$51,115

531211	Salaries	(159,346)
531511	Soc. Security	(12,190)
531521	Retirement	(12,477)
531561	Medical Ins.	(20,785)

Budget Changes	\$632,685	R
	\$673,877	NR
Total Position Changes		-6.00
Revised Total Budget	\$72,266,096	

Auditor

GENERAL FUND

Total Budget Approved 2007 Session	FY 08-09	
	\$12,746,479	
<hr/>		
Budget Changes		
1110 Administration		
1 ITS Hosting Services	\$82,128	R
Funding is provided for ITS hosting services for the non-governmental audit project approved in the previous fiscal year.		
Department-wide		
2 Budget Over-realized Receipts	(\$366,066)	R
Budgets over-realized receipts in the amount of \$366,066.		
Budget Changes	(\$283,938)	R
Total Position Changes		
Revised Total Budget	\$12,462,541	

Cultural Resources

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$71,881,424

Budget Changes

1120 Administrative Services

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

1210 Archives and History

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

Recurring:

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

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

1260 Office of State Archaeology

4 Queen Anne's Revenge Archaeology Project \$150,000 NR
 Increases operational support for the Queen Anne's Revenge archaeological project. These funds will sustain major recovery efforts, conservation, and analysis of artifacts and images from the 18th century shipwreck.

1320 Museum of Art

5 Art Museum Transition \$250,000 NR
 Funding is provided to bridge the gap between declining foundation revenues and increased operating costs related to expansion and renovation at the Museum of Art.

1330 NC Arts Council

6 Grassroots Arts Program Funds

Appropriates \$500,000 to the Grassroots Arts Program in the Arts Council. \$500,000 NR

7 Horn in the West Operational Support

Appropriates \$25,000 to the Southern Appalachian Historical Association, Inc., for operational support for the outdoor drama Horn in the West. \$25,000 NR

1340 North Carolina Symphony

8 Increase Appropriation for North Carolina Symphony

Provides \$400,000 in recurring funds to the Symphony for operating support. \$400,000 R

1480 Statewide Programs and Grants

9 Aid to Public Libraries

Increases the aid to public libraries by \$1 million non-recurring. These funds will be distributed based on the existing formula for county library grants. The funds may be used for the purchase of books or for other operational expenses. \$1,000,000 NR

Department-wide

10 Decrease Operating Budget

(\$696,933) R

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

Department-wide:

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

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

11 Personnel Reductions

(\$94,788) R

Eliminates the salaries and related fringe benefits of three vacant positions; Associate Curator (Pos. No. 4808-0805-0022-849 \$37,074), Museum Specialist (Pos. No. 4808-0805-0022851 \$31,696), and Exhibit Designer (Pos. No. 4808-0805-0022-852 \$2,510).

-3.00

531211	Salaries	(71,280)
531511	Soc. Security	(5,453)
531521	Retirement	(5,584)
531561	Medical Ins.	(12,471)

Budget Changes (\$134,421) R**\$2,000,000** NR**Total Position Changes**

-3.00

Revised Total Budget**\$73,747,003**

Cultural Resources - Roanoke Island Commission

GENERAL FUND

Total Budget Approved 2007 Session	FY 08-09
	\$2,020,023

Budget Changes

Department-wide

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

Budget Changes	(\$15,000)	R
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Total Position Changes

Revised Total Budget	\$2,005,023
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General Assembly

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09

\$55,740,786

Budget Changes

1 Decrease Operating Budget

(\$636,000) R

Recurring reduction of \$636,000 in agency reserves.

Budget Changes

(\$636,000) R

Total Position Changes

Revised Total Budget

\$55,104,786

Governor

GENERAL FUND

FY 08-09
\$6,300,587

Total Budget Approved 2007 Session

Budget Changes

1240 Center for 21st Century Skills

1 Transfer Center to Superintendent of Education (\$270,914) R
 Transfers the Center for 21st Century Skills from the Office of the Governor to the Superintendent of Education. The transfer includes one position. -1.00

Department-wide

2 Decrease Operating Budget (\$84,205) R
 Recurring reduction of \$84,205 in the operating budget of the following accounts:

1110 Administration
 532430 Maint. Agreement-Equip. (2,000)
 532524 Rent/Lease Gen Office E (2,000)
 532711 Transp. Air-In-State (2,000)
 532712 Transp. Air-Out-Of State (1,000)
 532811 Telephone Service (2,000)
 532814 Cellular Phone Service (3,503)
 532930 Registration Fees (4,000)
 532900 Oth. Materials & Supplies (4,000)
 533XXX Supplies (10,000)
 534XXX Property, Plant, Equip (5,000)
 534534 PC/Printer Equipment (8,000)
 538156 Transfer to ITS (25,202)

1200 Office of Citizens' Affairs
 532840 Post., Frght & Delivery (2,000)
 532850 Print., Bind & Duplicate (1,000)
 534XXX Purchased Services (10,000)
 533XXX Supplies (500)

1230 Educational Programs
 532XXX Purchased Services (2,000)

Budget Changes (\$355,119) R

Total Position Changes -1.00

Revised Total Budget \$5,945,468

Housing Finance Agency

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$9,608,417

Budget Changes

Home Protection Program

1	Home Protection Program	\$3,000,000	R
	Provides recurring funds to expand the Home Protection Program state-wide. The Program assists homeowners in 61 counties who are at risk of losing their homes due to job loss. The program offers counseling in addition to short-term or long-term loans to qualifying homeowners so that they can maintain their homes while regaining employment.		

Housing Trust Fund

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

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

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

Total Position Changes

Revised Total Budget	\$21,608,417
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Insurance

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$30,936,704

Budget Changes

1200 Company Services Group

1 Insurance Examiner II \$166,080 R
 Funds are provided for two Insurance Examiner II positions (\$63,584) for the Financial Evaluation Division. These positions will provide regulatory oversight emphasizing licensing and financial solvency for approximately 140 Professional Employer Organizations (PEO) that employ thousands of North Carolina residents. \$12,000 NR
2.00

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

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

1500 Office of the State Fire Marshal

2 Training and Inspection Travel \$150,000 R
 Funding is provided for training and travel related to state and federal mandates and the inspection of fire departments in the 1,512 fire districts requiring inspections every five years.

Budget Changes	\$316,080	R
	\$12,000	NR
Total Position Changes		2.00
Revised Total Budget	\$31,264,784	

Insurance - Volunteer Safety Workers' Compensat

GENERAL FUND

Total Budget Approved 2007 Session	FY 08-09	
	\$4,500,000	

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

Budget Changes	(\$1,000,000)	NR
Total Position Changes		
Revised Total Budget	\$3,500,000	

Lieutenant Governor

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$915,109

Budget Changes

1 NO LEGISLATIVE ACTION REPORTED.

Budget Changes

Total Position Changes

Revised Total Budget

\$915,109

Office of Administrative Hearings

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$3,521,735

Budget Changes

1100 Administration

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

Department-wide

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

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

Total Position Changes

Revised Total Budget	\$3,835,279
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Revenue

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$85,330,611

Budget Changes

1605 Tax Information Management System

1 Replace Current Integrated Tax Administration System (ITAS)

Funding is provided for a new Tax Information Management System (TIMS), which will enable taxpayers to interact electronically with the Department of Revenue. For FY 2008-2009, \$25,000,000 is to be funded from fees collected through Project Collect Tax.

1660 Examination and Collection

2 Budget Project Collect Fees

(\$1,363,567) R

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

-29.00

Department-wide

3 Decrease Operating Budget

(\$52,297) R

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

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

Budget Changes

(\$1,415,864) R

Total Position Changes

-29.00

Revised Total Budget

\$83,914,747

Secretary of State

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$10,743,041

Budget Changes

1110 General Administration

1 Accountant I position

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

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

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

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

1150 Lobbyist Registration

2 Lobbyist Registration Funds

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

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

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

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

1210 Corporations

3 Processing Asst V

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

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

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

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

1230 Securities Registration

4 Paralegal II

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

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

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

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

Department-wide

5 Budgets Over-realized receipts

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

(\$100,000) R

6 Decrease Operating Budget

Recurring reduction of \$53,715 in the operating budget.

(\$53,715) R

Department-wide:

1110	534535	Server Equipment	(20,000)
	534713	PC Software	(5,000)
	534714	Server Software	(6,000)
1120	532850	Print, Bind, Duplicate	(10,000)
1210	532840	Office Equipment	(2,615)
1220	533110	General Off. Supplies	(2,550)
1230	532942	Oth. Emp. Educ. Ex.	(1,000)
	535830	Membership Dues & Subsc	(6,550)

Budget Changes

\$33,162 R

\$98,894 NR

Total Position Changes

4.00

Revised Total Budget

\$10,875,097

State Board of Elections

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$9,626,868

Budget Changes

1100 Administration

1 Administration Officer II \$46,970 R

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

1.00

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

1200 Campaign Reporting

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

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

3.00

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

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

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

2.00

Department-wide

4 Decrease Operating Budget (\$48,135) R

Recurring reduction of \$48,135 in the operating budget of the LAN Support account.

Budget Changes	\$261,583	R
Total Position Changes	6.00	
Revised Total Budget	\$9,888,451	

State Budget & Management

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$5,877,440

Budget Changes

1310 Office of State Budget

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

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

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

Department-wide

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

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

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

Budget Changes \$15,242 R

Total Position Changes 1.00

Revised Total Budget \$5,892,682

State Budget and Management - Special

GENERAL FUND

Total Budget Approved 2007 Session	FY 08-09 \$5,621,446
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Budget Changes

1023 Fire Protection Grants

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

1900 Reserves and Transfers

2 Reserve for Military Morale, Recreation, & Welfare	\$1,000,000	NR
<p>Funding is provided for the reserve for military morale, recreation, and welfare to sustain historical grants to military installations to provide community service and quality-of-life programs for military members and their families in North Carolina.</p>		

Budget Changes	\$300,000	R
	\$1,000,000	NR

Total Position Changes

Revised Total Budget	\$6,921,446
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State Controller

GENERAL FUND

Total Budget Approved 2007 Session	FY 08-09	
	\$20,727,698	
<hr/>		
Budget Changes		
Department-wide		
1 Decrease Operating Budget	(\$110,940)	R
Recurring reduction of \$110,940 in the operating budget of the Data Processing account.		
<hr/>		
Budget Changes	(\$110,940)	R
Total Position Changes		
Revised Total Budget	\$20,616,758	

Treasurer

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$9,326,190

Budget Changes

1410 Retirement Operations

1 Audit State Employee Service Records

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

2 Four Business & Technology App. Analysts

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

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

Budget Changes

Total Position Changes

Revised Total Budget

\$9,326,190

Treasurer - Retirement for Fire and Rescue

GENERAL FUND

Total Budget Approved 2007 Session

FY 08-09
\$9,458,957

Budget Changes

1 NO LEGISLATIVE ACTION REPORTED.

Budget Changes

Total Position Changes

Revised Total Budget

\$9,458,957

TRANSPORTATION

Section K

Highway Fund

HIGHWAY FUND

Total Budget Approved 2007 Session	FY 08-09
	\$1,810,990,000

Budget Changes

Administration

- | | | |
|---|----------------|----|
| 1 Janitorial Contracts | \$601,581 | R |
| Increases funds to support contracted janitorial services at DOT facilities statewide. | | |
| 2 Repairs and Renovations | \$14,334,221 | NR |
| Provides funds for repairs and renovations of department facilities located throughout the state. | | |
| 3 Reduction to Administrative Budgets | (\$12,000,000) | R |
| Reduces funds for central administration within DOT. | | |

Division of Motor Vehicles

- | | | |
|--|-------------|---|
| 4 Space Requirements | \$195,266 | R |
| Increases funds for overall space needs at six driver license offices to meet standards for customer service delivery and increased staff and equipment. Offices are located in Asheboro, Brevard, Kenansville, Lumberton, Marshall and Wallace. | | |
| 5 IT Requirements - Property Tax Collection | | |
| Provides funds for the planning and detail design of an information technology project necessary for meeting the requirements of HB1779. The nonrecurring funding requirement for FY2008-09 is \$4,873,099 and the source is the Combined Motor Vehicle and Registration Account, held in the NC State Treasurer's Office. | | |
| 6 IT Requirements - Database Project | | |
| Provides funds to create a database of vehicle property tax data necessary for meeting the requirements of HB1779. The nonrecurring funding requirement for FY2008-09 is \$367,200 and the source is the Combined Motor Vehicle and Registration Account, held in the NC State Treasurer's Office. | | |
| 7 Postage Costs | \$1,815,111 | R |
| Increases funds for additional postage necessary to comply with statutory requirements of HB 267, requiring central issuance of all driver licenses effective July 1, 2008. | | |

Ferry Division**8 Ferry Division**

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

\$1,000,000 NR

Maintenance**9 System Preservation**

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

\$19,342,804 NR

Rail Division**10 Grants to Short-Line Railroads**

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

\$1,000,000 NR

Statutory Adjustments**11 Secondary Road Construction Program**

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

\$1,807,592 R

12 Leaking Underground Storage Tank Fund

Adjusts budget for the Leaking Underground Storage Tank Fund based on projections for the gasoline inspection fee in accordance with G.S. 105-119(a) and (b).

(\$185,000) R

13 Aid to Municipalities

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

\$1,807,592 R

Transfers**14 Driver Education Program**

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

\$616,491 R

15 New Positions

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

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

16 Leaking Underground Storage Tank Fund Reduction	(\$84,749)	R
Reduces appropriation to the Leaking Underground Storage Tank Fund, thus making funds available to support two positions in the Department of Agriculture and Consumer Services. (See Item 15).	(\$99,350)	NR

Budget Changes	(\$5,341,367)	R
	\$35,677,025	NR
Total Position Changes		2.00
Revised Total Budget	\$1,841,325,658	

Highway Trust Fund

HIGHWAY TRUST FUND

Total Budget Approved 2007 Session

FY 08-09

\$1,138,780,000

Budget Changes

Highway Trust Fund

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

Budget Changes

(\$65,620,000) R

Total Position Changes

Revised Total Budget

\$1,073,160,000

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

Statewide Reserves

GENERAL FUND

FY 08-09

Total Budget Approved 2008 Session

\$1,358,925,649

Budget Changes

A. Employee Benefits

1 State Funded Compensation Increases

\$358,342,439 R

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

\$8,151,912 NR

2 Public School Salary Increases

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

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

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

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

3 Community College Salary Increases

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

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

4 University Salary Increases

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

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

5 State Agency/Department Salary Increases

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

6 Highway Fund Reserve for Compensation Increases

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

7 No Penalty for Teachers Taking Personnel Leave

Provides funding to allow classroom teachers and media specialists who require a substitute to use one personal leave day per year and receive full salary. Teachers and media specialists will continue to receive full salary less the required substitute deduction for personnel leave days used over one day per year.

\$5,000,000 NR

8 Retirement System Contributions

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

\$30,237,400 R

9 Highway Fund Reserve for Retirement System Contributions

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

10 Reduce Statewide Reserves -- Premium Contributions

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

(\$5,000,000) R

B. Other Reserves

11 Pending Legislation for Gang Prevention - House Bill 274

Provides funds contingent upon the enactment of pending legislation for gang prevention (House Bill 274).

\$10,000,000 NR

12 Job Development Incentive Grants (JDIG)

Provides an additional \$17.7 million in recurring funds for meeting projected cash flow requirements for JDIG as well as non-recurring funds to support the NC Biotechnology Center (\$4 million) and Johnson and Wales University (\$1 million).

\$17,700,000 R
\$5,000,000 NR

13 North Carolina Master Address Dataset

Provides funding to the Center for Geographic Information and Analysis for a master data set to ensure the accuracy and completeness of the 2010 census. The dataset will also improve emergency response, school and

\$1,000,000 NR

voting redistricting, delivery of citizen services, and other public agency business applications and functions.

C. Debt Service

14 Debt Service

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

\$401,279,839 R

\$11,651,912 NR

Total Position Changes

Revised Total Budget

\$1,771,857,400

CAPITAL
Section M

Capital

GENERAL FUND

A. Department of Administration

1 State Capital Visitors Center/Plaza/Underground Parking Facility Planning

Provides capital planning funds for the proposed State Capital Visitors Center, public plaza, and underground parking. The Department of Administration will work with the Department of Cultural Resources regarding the design of the visitors center. The size of the visitors center will be not more than 45,800 square feet and the parking facility will have 490 spaces. The General Assembly appropriated \$250,000 in FY 2005-06 and \$627,281 in FY 2007-08 for current advance planning efforts. The total project cost is \$41.3 million

\$2,600,000 NR

2 NC Freedom Monument

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

\$500,000 NR

B. Department of Cultural Resources

3 NC Museum of History Chronology Exhibit - Phase 1 Supplement

Provides capital funds for the completion of Phase 1 of the NC Museum of History Chronology Exhibit. The exhibit will survey North Carolina history from pre-colonial period to 1900. The entire exhibit will now be located on the first floor of the museum, causing the relocation of classrooms and other program space. This supplement will offset part of the estimated project cost. The General Assembly appropriated \$1.2 million in FY 2004-05 and \$6.3 million in FY 2007-08 for this project. \$1 million in cost savings from completed repairs and renovations projects, as well as \$500,000 in receipts are committed to this project. Phase 2 will cover 1900 to present and will be funded with receipts. The total cost for Phase 1 is \$11.6 million.

\$1,000,000 NR

4 Mattamuskeet Lodge Renovations - Phase 2

Provides capital funds for Phase 2 of the comprehensive renovation of the Mattamuskeet Lodge in Hyde County. Recently acquired from the federal government, the lodge has significant structural and facility deficiencies. Phase 2 will complete planning and the structural renovation of the lodge. With the completion of Phase 3, the lodge will be reallocated to the Wildlife Resources Commission as a site for programs. The General Assembly appropriated \$500,000 in FY 2006-07 and \$1.5 million in FY 2007-08 for Phase 1. The total project cost is \$14,620,000.

\$6,615,500 NR

5 Charlotte Hawkins Brown State Historic Site Improvements

Provides capital funding for renovations and other capital improvements at the Charlotte Hawkins Brown State Historic Site. Projects will be determined through the master planning process that will be completed in November of 2008.

\$1,000,000 NR

C. Department of Correction**6 Lanesboro Correctional Institution Site Development**

Provides capital planning, site planning, and materials purchase funds for a 504 bed medium security addition to Lanesboro Correctional Institution. The General Assembly appropriated \$3.5 million in advance planning funds for this and three other prison additions in FY 2007-08. The project cost is \$18.9 million.

\$6,950,000 NR

D. Crime Control and Public Safety**7 Statewide Master Facilities Plan - Phase 2**

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

\$300,300 NR

8 Gastonia Armory Rehabilitation

Provides capital funds for the rehabilitation of the National Guard's Gastonia Armory. This project combines improvements related to federal mission changes as well as State-identified facility improvements. The federal government will offset \$299,302 of project costs. The total cost for the project is \$826,402.

\$527,100 NR

9 Siler City Armory Rehabilitation

Provides capital funds for the comprehensive rehabilitation of the National Guard's Siler City Armory. This rehabilitation is needed to protect the State's asset and meet State mission needs. No federal funds are available for this project. The total project cost is \$929,600.

\$929,600 NR

10 Camp Butner Land Buffers - Phase 2

Provides capital funds for the purchase of conservation easements and other development rights from privately held property around the National Guard's Camp Butner. This project is intended to protect the Camp's operations and mission from encroaching development in Butner. This is Phase 2 of a 6 phase plan for acquiring land buffers. The General Assembly appropriated \$117,800 for Phase 1 in FY 2007-08. The total cost for all 6 phases is \$830,203.

\$126,200 NR

11 Camp Butner Latrine Replacement

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

\$245,430 NR

12 State Highway Patrol Training Facility Planning

Provides capital planning funds for a new dormitory, armory, and training building for the State Highway Patrol's training facility. This building is the first of a master plan intended to replace many aging and inadequate facilities for the Highway Patrol's training facility. Training is currently conducted in the original Governor Morehead School for the Blind. The size of the new facility will be no more than 94,800 square feet. The total project cost is \$27.1 million.

\$1,790,300 NR

This planning money is accompanied by a special provision requiring the State Highway Patrol to report to the General Assembly on suitable sites for relocating the entire Training Facility.

E. Department of Justice

13 SBI Buildings 17 & 18 Addition

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

\$1,792,006 NR

F. Department of Commerce

14 Wanchese Capital Improvements

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

\$605,700 NR

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

15 NC Ports - Port of Wilmington Berth 8 Improvements - Phase 1

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

\$5,000,000 NR

16 NC Ports Port of Morehead City Berth Improvements

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

\$2,500,000 NR

G. Department of Agriculture and Consumer Services

17 Veterinary Laboratory System Study

Provides capital planning funds for examining the current veterinary lab system. The study will determine needed facilities replacement and rehabilitation projects to enhance the lab system's mission of disease diagnosis and control. The study will encompass the main lab facility in Raleigh and four regional labs.

\$620,000 NR

18 Agriculture Building Renovation

Provides capital planning funds for the comprehensive renovation of the Department's main office building in downtown Raleigh. The General Assembly has appropriated \$4 million in repairs and renovations funds for this project in recent years. These funds would plan the remainder of the comprehensive renovation. The total project cost is \$21 million.

\$1,225,000 NR

19 Motor fuels/Metrology Laboratory Study

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

\$1,000,000 NR

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

20 Southeastern NC Agricultural Center Pavilion Planning

Provides capital planning funds for the design of 40,000 square foot pre-engineered pavilion building for equine, livestock, and trade show events. The total project cost is \$3.7 million.

\$314,585 NR

21 Hunt Horse Complex Horse Barn

Provides capital funds for the construction of a 60,000 square foot pre-engineered covered horse barn. The barn will have a concrete floor and will be open on the sides. The total project cost is \$3.3 million.

\$3,338,068 NR

H. Department of Environment and Natural Resources**22 NC Zoo - Polar Bear Exhibit Renovation and Expansion**

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

\$2,700,000 NR

23 NC Zoo - Africa Pavilion Replacement Planning

Provides capital planning funds for the replacement of the current Africa Pavilion. Changes to the protocol for handling primates, flaws in the original pavilion design, the lack of air conditioning, and the condition of the existing facility create the need to replace the Africa Pavilion. The new facilities will provide more outdoor exhibit space, appropriate animal handling facilities, and enhanced visitor support facilities. The NC Zoo Society will provide \$400,000 towards planning the replacement facilities. The total project cost is \$25 million.

\$600,000 NR

24 Water Resources Development Projects

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

\$20,000,000 NR

25 Land for Tomorrow Parks and Conservation Land Acquisition

Provides capital funding for the acquisition of State park lands and conservation areas. Parks projects would be identified by the NC Parks and Recreation Authority for expanding the State Park System and the Mountain to Seas Trail. Natural heritage projects would be identified by the trustees of the Natural Heritage Trust Fund to represent the ecological diversity of the State.

\$50,000,000 NR

All funds will support the conservation priorities of the One North Carolina Naturally Program.

I. UNC System Board of Governors**26 UNC System Dormitory Fire Protection**

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

\$3,000,000 NR

27 Appalachian State University - Nursing Building Planning

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

\$2,100,000 NR

28 East Carolina University - Family Medicine and Geriatric Center Planning

Provides capital planning funds for the proposed Family Medicine and Geriatric Center. The facility will contribute to the UNC Tomorrow committee's goal of improving health and wellness. The building size will be no more than 117,185 square feet. UNC will provide \$10 million in receipts for this project. The total project cost is \$46.8 million.

\$1,874,932 NR

29 Elizabeth City State University - Aviation Complex Site Development

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

\$1,500,000 NR

30 Fayetteville State University - Teaching Education Building Planning

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

\$1,700,000 NR

31 Millennium Campus - Joint Primary Data Center Planning

Provides capital planning funds for the proposed Joint Primary Data Center to be located at the Gateway University Research Park. The facility will be shared between NC Agricultural and Technical State University and the University of North Carolina at Greensboro. The facility will contribute to the UNC Tomorrow committee's goal of improving global readiness. The building size will be no more than 50,680 square feet. The total project cost is \$46.3 million.

\$1,852,016 NR

32 NC School of the Arts - Central Storage Facility Planning

Provides capital planning funds for the proposed Central Storage Facility. The facility will contribute to the UNC Tomorrow committee's goal of improving university infrastructure. The building size will be no more than 60,000 square feet. The total project cost is \$11.1 million.

\$444,000 NR

33 NC School of Science and Math - Discovery Center Site Development

Provides capital planning and site development funds for the proposed Discovery Center. The facility will provide new classroom, research, dining, and residential space, as well as, infrastructure upgrades for the campus. The building size will be no more than 275,000 square feet. The General Assembly appropriated \$3,337,000 in FY 2007-08. The total project cost is \$70 million.

\$7,250,000 NR

34 NC State University - 4-H Camp Improvements

Provides capital funds for the proposed renovations and new facilities at the State's 4-H camps. The General Assembly appropriated \$7.5 million in FY 2007-08 towards a \$34 million facilities plan. This \$2.5 million would be the second installment in funding the multi-year plan.

\$2,500,000 NR

35 UNC Asheville - Carmichael Hall and Lecture Hall Replacement Planning

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

\$1,100,000 NR

36 UNC Chapel Hill - Biomedical Research Imaging Center (BRIC) Planning

Provides capital planning funds for the increased scope of the Biomedical Research Imaging Center. The project will now include wet labs and drug research space not included in the original project scope. The facility will contribute to the UNC Tomorrow committee's goal of improving health and wellness. The building size will be no more than 343,000 square feet. The General Assembly appropriated \$8 million in FY 2007-08 and UNC will provide \$20 million in receipts for the project. The total project cost is \$260 million.

\$4,000,000 NR

37 UNC Chapel Hill School of Law Replacement Planning

Provides capital planning funds for a replacement facility for the School of Law.

\$3,500,000 NR

38 UNC Charlotte Science Building Planning

Provides capital planning funds for the proposed Science Building. The facility will contribute to the UNC Tomorrow committee's goal of improving global readiness and science education. The building size will be no more than 235,000 square feet. The total project cost is \$120 million.

\$2,400,000 NR

39 UNC Pembroke - Information Commons Building Planning

Provides capital planning funds for the proposed Information Commons Building. The facility will contribute to the UNC Tomorrow committee's goal of improving access. The building size will be no more than 150,000 square feet. The total project cost is \$50 million.

\$2,000,000 NR

40 UNC Wilmington - Allied Health and Human Science Building Planning

Provides capital planning funds for the proposed Allied Health and Human Science Building. The facility will contribute to the UNC Tomorrow committee's goal of improving health and wellness. The building size will be no more than 105,000 square feet. The total project cost is \$43.2 million.

\$1,700,000 NR

41 Western Carolina University - Education and Professions Building Planning

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

\$1,900,000 NR

42 Winston-Salem State University - Student Center Supplement

Provides capital funds to complete the new Student Activity Center. Originally proposed as a project to be funded with 50% General Fund monies and 50% student fees, student fees are now proposed to cover 10% of the project cost. The General Assembly appropriated \$768,225 in FY 2006-07 and authorized \$18.7 million in special indebtedness in FY 2007-08. This \$9.8 million, combined with \$3.3 million in student-based receipts will complete the \$32.5 million project.

\$9,799,000 NR

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

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

\$3,000,000 NR

44 UNC Upper Coastal Plain Higher Education and Health Center Planning

Provides capital planning funds for the proposed UNC Upper Coastal Plain Higher Education and Health Center. The facility will contribute to the UNC Tomorrow committee's recommendation for establishing regional campuses or service centers. The facility will house the regional consortium involving East Carolina University, Elizabeth City State University, NC Central University, and NC State University. The building will also house a nursing and allied health program run by East Carolina University and Edgecombe Community College. The total project cost is \$20 million.

\$1,000,000 NR

45 UNC System - Land Acquisition Reserve

Provides capital funds for the acquisition of State land for campuses throughout the system. The reserve will be administered by UNC General Administration, at the discretion of the President.

\$5,000,000 NR

J. State Facilities Special Indebtedness**46 Department of Cultural Resources - Museum of Art Expansion Supplement**

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

47 NC Correctional Institution for Women - Healthcare Facility

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

48 Scotland Correctional Institution - Minimum Security Addition

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

49 Bertie Correctional Institution - Medium Security Addition

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

50 Tabor Correctional Institution - Minimum Security Addition

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

51 DENR Green Square Complex

Authorizes the issuance of certificates of participation to complete the construction of the Green Square Project. The project consists of a 172,000 square foot office building for the Department of Environment and Natural Resources; a 79,400 square foot expansion of the NC Museum of Natural Science, called the Nature Research Center; and 426 spaces of underground parking. This project is combined with a parking deck authorized in S.L. 2006-231 that will house up to 1400 spaces.

The total cost of the project is \$150 million, excluding the 1400 space parking deck. The General Assembly appropriated \$25 million for the project in FY 2007-08. Parking receipts will service the debt for parking construction. The Friends of the Museum of Natural Science have committed \$27.5 million towards the cost of construction of the Nature Research Center and \$15.5 million towards exhibits. The Friends will fundraise during construction and make their gift at the completion of construction. Total debt authorized is \$107 million.

A special provision authorizes the State to use Dry Cleaning Solvent Fund monies to offset the clean up costs of the project site.

52 East Carolina University - School of Dentistry Facilities

Authorizes the issuance of certificates of participation for the construction of the School of Dentistry building in Greenville and up to 10 satellite dental clinics around the State. The size of the main building will be no more than 112,500 square feet. The total cost of this project is \$90 million. The General Assembly appropriated \$3 million in FY 2006-07 and \$25 million in FY2007-08 for this project. Total debt authorized is \$62 million.

53 Elizabeth City State University - School of Education Building

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

54 NC Agricultural and Technical University - General Classroom Building

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

55 NC Central University - School of Nursing Building

Authorizes the issuance of certificates of participation for the construction of a new School of Nursing building. The size of the building will be no more than 65,000 square feet. The total cost of this project is \$27 million. The General Assembly appropriated \$2.5 million in FY2007-08. Total debt authorized is \$24.5 million.

56 NC State University - Centennial Campus Library

Authorizes the issuance of certificates of participation for the construction of a new library building at NC State's Centennial Campus. The size of the building will be no more than 279,000 square feet. The total cost of this project is \$114 million. The General Assembly appropriated \$17 million in FY2007-08. Total debt authorized is \$109.1 million.

57 UNC Chapel Hill - School of Dentistry Expansion

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

58 UNC Greensboro - Academic Classroom and Office Building

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

59 Center for Design Innovation - Site Development Supplement

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

Total Appropriation to Capital**\$169,899,737 NR**

**INFORMATION
TECHNOLOGY
SERVICES
Section N**

Information Technology Services

SPECIAL FUND

FY 08-09

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

House Committee on Appropriations

FY 08-09

11 BEACON/Data Integration Funds

Provides funding to develop a Statewide data integration initiative implemented under the guidance of the BEACON Steering Committee.

\$5,000,000 NR

\$12,631,140 R

\$5,950,000 NR

Revised Total Budget

\$18,581,140
