

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

**House Bill 97
North Carolina General Assembly**

September 14, 2015

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General Fund Availability Statement

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General Fund Availability Statement

	FY 2015-16	FY 2016-17
1 Unappropriated Balance	2,033,330	182,588,544
2 Over Collections FY 2014-15	445,820,623	0
3 Reversions FY 2014-15	415,657,138	0
4 Proceeds from Sale of Dix Received in FY 2014-15	2,000,000	0
5 Revenue Adjustment as per S.L. 2015-2	(1,000,000)	0
6 Earmarkings of Year End Fund Balance:		
7 Savings Reserve	(200,000,000)	0
8 Repairs and Renovations	(400,000,000)	0
9 Beginning Unreserved Fund Balance	264,511,091	182,588,544
10		
11 Revenues Based on Existing Tax Structure	20,981,400,000	21,592,400,000
12		
13 Non-tax Revenues		
14 Investment Income	17,100,000	17,400,000
15 Judicial Fees	227,800,000	225,500,000
16 Disproportionate Share	139,000,000	139,000,000
17 Insurance	78,400,000	79,600,000
18 Master Settlement Agreement	137,500,000	137,500,000
19 Other Non-Tax Revenues	168,000,000	168,800,000
20 Highway Fund Transfer	215,900,000	215,900,000
21 Subtotal Non-tax Revenues	983,700,000	983,700,000
22		
23 Total General Fund Availability	22,229,611,091	22,758,688,544
24		
25 Adjustments to Availability: 2015 Session		
26 Historic Preservation Tax Credit	0	(8,000,000)
27 Modify Corporate Income Tax Rate Trigger, Expand Corporate Tax Base, and Repeal Bank Privilege Tax	6,000,000	0
28 Phase-In Single Sales Factor Apportionment	(7,900,000)	(23,300,000)
29 Reduce Individual Income Tax (Reduces Rate to 5.499% in 2017, Restores Medical Deduction, and Raises Standard Deduction)	(117,300,000)	(437,100,000)
30 Expand Sales Tax Base	44,500,000	159,500,000
31 Transfer Additional Local Sales Tax Revenue for Economic Development, Public Education, and Community Colleges	0	(17,600,000)
32 Renewable Energy Safe Harbor (S.L. 2015-11)	0	(36,700,000)
33 Repeal Highway Fund Transfer	(215,900,000)	(215,900,000)
34 Transfer to Medicaid Transformation Fund	(75,000,000)	(150,000,000)
35 Standard & Poor's Settlement Funds	19,382,143	0
36 Master Settlement Agreement Funds to Golden L.E.A.F.	(10,000,000)	(10,000,000)
37 Department of Justice Tobacco Settlement	2,194,000	0
38 Transfer from Federal Insurance Contributions Act (FICA) Fund	4,296,802	641,628
39 Transfer from E-Commerce Fund Cash Balance	3,000,000	0
40 Transfer from DPS Enterprise Resource Planning System IT Fund	9,000,000	0
41 Adjustment of Transfer from Treasurer's Office	62,998	18,471
42 Adjustment of Transfer from Insurance Regulatory Fund	355,915	58,882
43 Realign Judicial Fees	25,000,000	25,000,000
44		
45 Subtotal Adjustments to Availability: 2015 Session	(312,308,142)	(713,381,019)
46		
47 Revised General Fund Availability	21,917,302,949	22,045,307,525
48		
49 Less General Fund Appropriations	(21,734,714,405)	(21,919,468,078)
50		
51 Unappropriated Balance Remaining	182,588,544	125,839,447

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**Summary:
General Fund
Appropriations**

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Summary of General Fund Appropriations						
Fiscal Year 2015-16						
2015 Legislative Session						
		Legislative Adjustments				Revised
	Base Budget	Recurring	Nonrecurring	Net	FTE	Appropriation
	2015-16	Adjustments	Adjustments	Changes	Changes	2015-16
Education:						
Community Colleges	1,048,495,115	(2,099,158)	22,671,041	20,571,883	7.00	1,069,066,998
Public Education	8,106,033,100	266,735,700	144,000,497	410,736,197	0.00	8,516,769,297
University System	2,647,296,221	58,742,318	40,524,039	99,266,357	0.00	2,746,562,578
Total Education	11,801,824,436	323,378,860	207,195,577	530,574,437	7.00	12,332,398,873
Health and Human Services:						
Central Management and Support	89,605,783	14,436,065	18,424,738	32,860,803	(20.00)	122,466,586
Aging and Adult Services	42,845,788	0	969,549	969,549	0.00	43,815,337
Blind and Deaf / Hard of Hearing Services	8,107,457	65,750	0	65,750	0.00	8,173,207
Child Development and Early Education	249,687,727	4,816,022	(22,040,920)	(17,224,898)	0.00	232,462,829
Health Service Regulation	16,022,641	82,606	0	82,606	2.00	16,105,247
Medical Assistance	3,532,548,786	279,094,664	(75,068,507)	204,026,157	0.00	3,736,574,943
Mental Health, Dev. Disabilities, & Sub. Abuse Services	680,179,847	6,928,916	(91,026,343)	(84,097,427)	2.00	596,082,420
NC Health Choice	41,874,629	5,522,950	(34,841,237)	(29,318,287)	0.00	12,556,342
Public Health	141,283,615	2,421,369	(2,327,764)	93,605	2.00	141,377,220
Social Services	180,017,803	2,765,460	400,000	3,165,460	1.00	183,183,263
Vocational Rehabilitation	37,752,132	0	0	0	0.00	37,752,132
Total Health and Human Services	5,019,926,208	316,133,802	(205,510,484)	110,623,318	(13.00)	5,130,549,526
Justice and Public Safety:						
Public Safety	1,758,733,006	61,996,903	27,399,201	89,396,104	112.83	1,848,129,110
Judicial	467,897,397	10,411,055	6,622,765	17,033,820	3.00	484,931,217
Judicial - Indigent Defense	112,087,174	3,485,302	430,421	3,915,723	0.00	116,002,897
Justice	50,584,602	1,852,333	1,412,529	3,264,862	13.00	53,849,464
Total Justice and Public Safety	2,389,302,179	77,745,593	35,864,916	113,610,509	128.83	2,502,912,688
Agriculture and Natural and Economic Resources:						
Agriculture and Consumer Services	113,940,604	1,892,669	481,702	2,374,371	6.00	116,314,975
Commerce	47,261,954	3,618,058	6,607,962	10,226,020	(6.60)	57,487,974
Commerce - State Aid	11,704,240	6,300,000	2,750,000	9,050,000	0.00	20,754,240
Cultural Resources	64,231,047	90,970,293	8,196,927	99,167,220	979.28	163,398,267
Cultural Resources - Roanoke Island	508,384	15,000	0	15,000	0.00	523,384
Environment and Natural Resources	162,279,549	(86,434,020)	5,461,073	(80,972,947)	(1,007.65)	81,306,602
Labor	15,945,674	(123,439)	173,124	49,685	(2.00)	15,995,359
Wildlife Resources Commission	13,317,641	(2,294,145)	(869,873)	(3,164,018)	(3.75)	10,153,623
Total Agriculture, Natural and Economic Resources	429,189,093	13,944,416	22,800,915	36,745,331	(34.72)	465,934,424

Summary of General Fund Appropriations						
Fiscal Year 2015-16						
2015 Legislative Session						
		Legislative Adjustments				Revised
	Base Budget	Recurring	Nonrecurring	Net	FTE	Appropriation
	2015-16	Adjustments	Adjustments	Changes	Changes	2015-16
General Government:						
Administration	67,409,693	(7,368,465)	1,299,684	(6,068,781)	(75.40)	61,340,912
Auditor	11,733,689	271,102	98,872	369,974	0.00	12,103,663
General Assembly	52,865,521	4,143,530	400,598	4,544,128	0.00	57,409,649
Governor	5,859,246	(293,072)	255,935	(37,137)	(2.00)	5,822,109
Governor - Special Projects	2,000,000	0	0	0	0.00	2,000,000
Housing Finance Agency	9,118,739	0	12,500,000	12,500,000	0.00	21,618,739
Insurance	38,296,364	58,882	297,033	355,915	1.00	38,652,279
Lieutenant Governor	676,874	1,098	4,903	6,001	0.00	682,875
Military and Veterans Affairs	0	7,556,254	1,980,741	9,536,995	77.90	9,536,995
Office of Administrative Hearings	4,992,437	150,976	36,771	187,747	1.00	5,180,184
Revenue	80,521,722	(213,325)	751,142	537,817	(1.00)	81,059,539
Secretary of State	11,676,506	74,189	137,996	212,185	0.00	11,888,691
State Board of Elections	6,620,578	(107,215)	251,479	144,264	0.00	6,764,842
State Budget and Management	7,586,922	(55,514)	152,541	97,027	1.00	7,683,949
State Budget and Management -- Special	0	1,500,000	13,281,688	14,781,688	0.00	14,781,688
State Controller	22,205,229	521,157	127,393	648,550	0.00	22,853,779
Treasurer - Operations	9,734,913	233,471	294,527	527,998	6.00	10,262,911
Treasurer - Retirement / Benefits	20,664,274	1,027,025	350,000	1,377,025	0.00	22,041,299
Total General Government	351,962,707	7,500,093	32,221,303	39,721,396	8.50	391,684,103
Statewide Reserves and Debt Service:						
Debt Service:						
Interest / Redemption	719,974,837	(6,815,194)	0	(6,815,194)	0.00	713,159,643
Federal Reimbursement	1,616,380	0	0	0	0.00	1,616,380
Subtotal Debt Service	721,591,217	(6,815,194)	0	(6,815,194)	0.00	714,776,023
Statewide Reserves:						
Contingency and Emergency Fund	5,000,000	0	0	0	0.00	5,000,000
Salary Adjustment Reserve	7,500,000	5,000,000	0	5,000,000	0.00	12,500,000
OSHR Minimum of Market Adjustment	0	0	0	0	0.00	0
Workers' Compensation Reserve	0	21,500,543	2,000,000	23,500,543	0.00	23,500,543
Information Technology Reserve	18,803,648	3,596,642	(1,079,447)	2,517,195	0.00	21,320,843
Information Technology Fund	24,199,049	(2,517,195)	73,337	(2,443,858)	0.00	21,755,191
IT Reserve - Budget Transparency Project	0	0	814,000	814,000	0.00	814,000
Job Development Investment Grants (JDIG)	63,045,357	0	(5,229,142)	(5,229,142)	0.00	57,816,215

Summary of General Fund Appropriations						
Fiscal Year 2015-16						
2015 Legislative Session						
		Legislative Adjustments				Revised
	Base Budget	Recurring	Nonrecurring	Net	FTE	Appropriation
	2015-16	Adjustments	Adjustments	Changes	Changes	2015-16
One North Carolina Fund	9,000,000	0	(2,004,024)	(2,004,024)	0.00	6,995,976
Pending Legislation	4,500,000	(4,500,000)	0	(4,500,000)	0.00	0
Voter Information Verification Act	1,000,000	(1,000,000)	0	(1,000,000)	0.00	0
Film and Entertainment Grant Fund	0	0	30,000,000	30,000,000	0.00	30,000,000
Subtotal Statewide Reserves	133,048,054	22,079,990	24,574,724	46,654,714	0.00	179,702,768
Total Reserves and Debt Service	854,639,271	15,264,796	24,574,724	39,839,520	0.00	894,478,791
Total General Fund for Operations	20,846,843,894	753,967,560	117,146,951	871,114,511	96.61	21,717,958,405
Capital Improvements						
Dorton Arena Roof Replacement	0	0	2,305,000	2,305,000	0.00	2,305,000
USS North Carolina Hull Repair and Cofferdam	0	0	3,500,000	3,500,000	0.00	3,500,000
Water Resources Development	0	0	5,083,000	5,083,000	0.00	5,083,000
Armory and Facility Development Projects	0	0	868,000	868,000	0.00	868,000
School of Science and Math - Technology Upgrades and Building Repairs	0	0	4,000,000	4,000,000	0.00	4,000,000
NCSU Engineering Building - Advance Planning	0	0	1,000,000	1,000,000	0.00	1,000,000
Total Capital Improvements	0	0	16,756,000	16,756,000	0.00	16,756,000
Total General Fund Budget	20,846,843,894	753,967,560	133,902,951	887,870,511	96.61	21,734,714,405

Summary of General Fund Appropriations						
Fiscal Year 2016-17						
2015 Legislative Session						
		Legislative Adjustments				Revised
	Base Budget	Recurring	Nonrecurring	Net	FTE	Appropriation
	2016-17	Adjustments	Adjustments	Changes	Changes	2016-17
Education:						
Community Colleges	1,048,495,115	17,300,405	100,000	17,400,405	7.00	1,065,895,520
Public Education	8,106,033,100	313,231,521	180,000	313,411,521	0.00	8,419,444,621
University System	2,647,304,656	25,771,233	10,232,038	36,003,271	0.00	2,683,307,927
Total Education	11,801,832,871	356,303,159	10,512,038	366,815,197	7.00	12,168,648,068
Health and Human Services:						
Central Management and Support	89,605,783	22,435,470	17,992,000	40,427,470	(17.00)	130,033,253
Aging and Adult Services	42,845,788	0	969,549	969,549	0.00	43,815,337
Blind and Deaf / Hard of Hearing Services	8,107,457	65,750	0	65,750	0.00	8,173,207
Child Development and Early Education	249,687,727	8,515,712	(15,169,463)	(6,653,751)	0.00	243,033,976
Health Service Regulation	16,022,641	88,033	0	88,033	2.00	16,110,674
Medical Assistance	3,532,548,784	455,259,298	(71,570,810)	383,688,488	0.00	3,916,237,272
Mental Health, Dev. Disabilities, & Sub. Abuse Services	680,179,847	8,067,844	(150,386,383)	(142,318,539)	2.00	537,861,308
NC Health Choice	41,874,629	6,230,413	(47,358,284)	(41,127,871)	0.00	746,758
Public Health	141,283,615	2,453,313	4,561,500	7,014,813	2.00	148,298,428
Social Services	180,017,803	5,515,460	0	5,515,460	1.00	185,533,263
Vocational Rehabilitation	37,752,132	0	0	0	0.00	37,752,132
Total Health and Human Services	5,019,926,206	508,631,293	(260,961,891)	247,669,402	(10.00)	5,267,595,608
Justice and Public Safety:						
Public Safety	1,758,773,164	84,971,162	3,621,300	88,592,462	222.83	1,847,365,626
Judicial	467,898,110	16,228,211	0	16,228,211	9.00	484,126,321
Judicial - Indigent Defense	112,097,118	4,532,846	0	4,532,846	0.00	116,629,964
Justice	50,584,602	2,130,990	0	2,130,990	13.00	52,715,592
Total Justice and Public Safety	2,389,352,994	107,863,209	3,621,300	111,484,509	244.83	2,500,837,503
Agriculture and Natural and Economic Resources:						
Agriculture and Consumer Services	113,940,604	2,015,169	1,000,000	3,015,169	6.00	116,955,773
Commerce	47,261,954	5,082,375	5,251,799	10,334,174	(8.53)	57,596,128
Commerce - State Aid	11,704,240	3,851,570	2,500,000	6,351,570	0.00	18,055,810
Cultural Resources	64,231,047	97,604,806	7,453,550	105,058,356	979.28	169,289,403
Cultural Resources - Roanoke Island	508,384	15,000	0	15,000	0.00	523,384
Environment and Natural Resources	162,279,549	(85,099,940)	5,250,000	(79,849,940)	(1,007.65)	82,429,609
Labor	15,945,674	(123,439)	0	(123,439)	(2.00)	15,822,235
Wildlife Resources Commission	13,317,641	(2,294,145)	(1,000,000)	(3,294,145)	(3.75)	10,023,496
Total Agriculture, Natural and Economic Resources	429,189,093	21,051,396	20,455,349	41,506,745	(36.65)	470,695,838

**Summary of General Fund Appropriations
Fiscal Year 2016-17
2015 Legislative Session**

	Base Budget 2016-17	Legislative Adjustments			FTE Changes	Revised Appropriation 2016-17
		Recurring Adjustments	Nonrecurring Adjustments	Net Changes		
General Government:						
Administration	65,932,950	(7,268,465)	0	(7,268,465)	(81.60)	58,664,485
Auditor	11,733,689	271,102	0	271,102	0.00	12,004,791
General Assembly	52,865,521	4,143,530	0	4,143,530	0.00	57,009,051
Governor	5,859,246	(293,072)	0	(293,072)	(2.00)	5,566,174
Governor - Special Projects	2,000,000	0	0	0	0.00	2,000,000
Housing Finance Agency	9,118,739	1,541,261	15,000,000	16,541,261	0.00	25,660,000
Insurance	38,296,364	58,882	0	58,882	1.00	38,355,246
Lieutenant Governor	676,874	1,098	0	1,098	0.00	677,972
Military and Veterans Affairs	0	7,556,254	250,000	7,806,254	77.90	7,806,254
Office of Administrative Hearings	4,992,437	150,976	0	150,976	1.00	5,143,413
Revenue	80,539,222	(81,543)	0	(81,543)	0.00	80,457,679
Secretary of State	11,676,506	74,189	0	74,189	0.00	11,750,695
State Board of Elections	6,620,578	(107,215)	0	(107,215)	0.00	6,513,363
State Budget and Management	7,586,922	(55,514)	0	(55,514)	1.00	7,531,408
State Budget and Management -- Special	0	1,500,000	500,000	2,000,000	0.00	2,000,000
State Controller	22,205,229	521,157	0	521,157	0.00	22,726,386
Treasurer - Operations	9,734,913	558,471	55,000	613,471	6.00	10,348,384
Treasurer - Retirement / Benefits	20,664,274	1,027,025	0	1,027,025	0.00	21,691,299
Total General Government	350,503,464	9,598,136	15,805,000	25,403,136	3.30	375,906,600
Statewide Reserves and Debt Service:						
Debt Service:						
Interest / Redemption	719,974,837	(18,125,622)	0	(18,125,622)	0.00	701,849,215
Federal Reimbursement	1,616,380	0	0	0	0.00	1,616,380
Subtotal Debt Service	721,591,217	(18,125,622)	0	(18,125,622)	0.00	703,465,595
Statewide Reserves:						
Contingency and Emergency Fund	5,000,000	0	0	0	0.00	5,000,000
Salary Adjustment Reserve	7,500,000	17,500,000	0	17,500,000	0.00	25,000,000
OSHR Minimum of Market Adjustment	0	12,000,000	0	12,000,000	0.00	12,000,000
Reserve for Future Benefit Needs	0	71,000,000	0	71,000,000	0.00	71,000,000
Workers' Compensation Reserve	0	21,500,543	0	21,500,543	0.00	21,500,543
Information Technology Reserve	18,803,648	3,876,168	(1,358,973)	2,517,195	0.00	21,320,843
Information Technology Fund	24,199,049	(2,517,195)	0	(2,517,195)	0.00	21,681,854
Job Development Investment Grants (JDIG)	63,045,357	8,682,769	0	8,682,769	0.00	71,728,126

Summary of General Fund Appropriations						
Fiscal Year 2016-17						
2015 Legislative Session						
		Legislative Adjustments				Revised
	Base Budget	Recurring	Nonrecurring	Net	FTE	Appropriation
	2016-17	Adjustments	Adjustments	Changes	Changes	2016-17
One North Carolina Fund	9,000,000	0	0	0	0.00	9,000,000
Pending Legislation	4,500,000	(4,500,000)	0	(4,500,000)	0.00	0
Voter Information Verification Act	1,000,000	(1,000,000)	0	(1,000,000)	0.00	0
Film and Entertainment Grant Fund	0	0	30,000,000	30,000,000	0.00	30,000,000
Public Schools Average Daily Membership (ADM)	0	107,000,000	0	107,000,000	0.00	107,000,000
UNC System Enrollment Growth Reserve	0	31,000,000	0	31,000,000	0.00	31,000,000
Subtotal Statewide Reserves	133,048,054	264,542,285	28,641,027	293,183,312	0.00	426,231,366
Total Reserves and Debt Service	854,639,271	246,416,663	28,641,027	275,057,690	0.00	1,129,696,961
Total General Fund for Operations	20,845,443,899	1,249,863,856	(181,927,177)	1,067,936,679	208.48	21,913,380,578
Capital Improvements						
Armory and Facility Development Projects	0	0	5,087,500	5,087,500	0.00	5,087,500
NCSU Engineering Building	0	0	1,000,000	1,000,000	0.00	1,000,000
Total Capital Improvements	0	0	6,087,500	6,087,500	0.00	6,087,500
Total General Fund Budget	20,845,443,899	1,249,863,856	(175,839,677)	1,074,024,179	0.00	21,919,468,078

Education Section F

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Public Education

GENERAL FUND

Recommended Base Budget	FY 15-16	FY 16-17
	\$8,106,033,100	\$8,106,033,100

Legislative Changes

A. Reserve for Salaries and Benefits

<p>1 Compensation Reserve - Educators</p> <p>Funds several changes to the Statewide teachers salary schedule, including an increase in starting pay from \$3,300 to \$3,500 per month (i.e. \$33,000 to \$35,000 per year for a 10-month teacher), an experience-based step increase for educators earning a year of creditable experience, and a sixth tier for school psychologists, speech pathologists and school audiologists. Funds are also provided for a \$750 one-time bonus for educators and to ensure that bonuses received in FY 2014-15 are continued as appropriate.</p>	<p>\$62,171,653 R</p> <p>\$79,521,583 NR</p>	<p>\$62,171,653 R</p>
<p>2 Compensation Reserve - School-based Administrators (SBAs)</p> <p>Provides funds for a \$750 bonus for school-based administrators (SBAs) and for an experience-based step increase for SBAs earning a year of creditable experience. Funds are also appropriated to continue the bonus granted in FY 2014-15 for SBAs who did not receive a salary increase in that year; this bonus shall continue to be paid monthly.</p>	<p>\$4,550,919 R</p> <p>\$3,599,248 NR</p>	<p>\$4,550,919 R</p>
<p>3 Compensation Reserve - Other LEA Personnel</p> <p>Provides funds for a \$750 one-time bonus for central office and non-certified personnel within local education agencies. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes.</p>	<p>\$39,781,698 NR</p>	
<p>4 Compensation Reserve - DPI</p> <p>Provides funds for a \$750 one-time bonus for State employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes. In addition, funds are appropriated for the changes to the Statewide teacher salary schedule that affect State agency teachers within the Department.</p>	<p>\$216,430 R</p> <p>\$676,818 NR</p>	<p>\$216,430 R</p>
<p>5 State Retirement Contributions - School District Personnel</p> <p>Increases the State's contribution for members of the Teachers' and State Employees' Retirement System to fund increased retiree medical premiums. Total General Fund appropriation across all sections in the committee report is \$11.0 million in FY 2015-16 and FY 2016-17.</p>	<p>\$6,308,775 R</p>	<p>\$6,308,775 R</p>
<p>6 State Retirement Contributions - DPI</p> <p>Increases the State's contribution for members of the Teachers' and State Employees' Retirement System to fund increased retiree medical premiums. Total General Fund appropriation across all sections in the committee report is \$11.0 million in FY 2015-16 and FY 2016-17.</p>	<p>\$49,396 R</p>	<p>\$49,396 R</p>

7 State Health Plan - School District Personnel

\$14,124,040 R \$14,124,040 R

Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General Fund for the 2015-17 fiscal biennium.

8 State Health Plan - DPI

\$77,199 R \$77,199 R

Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General Fund for the 2015-17 fiscal biennium.

B. Technical Adjustments

9 Average Daily Membership (ADM) (Multiple)

\$100,236,542 R \$100,236,542 R

Revises allotted FY 2015-16 ADM to reflect 17,338 more students than are included in FY 2014-15 allotted ADM. This adjustment includes revisions to multiple position, dollar, and categorical allotments. Funding associated with projected FY 2016-17 ADM growth is reserved in the "Reserves, Debt Service and Adjustments" section of this report.

10 Exceptional Children Headcount (1860)

\$404,103 R \$404,103 R

Adjusts funding budgeted for the Children with Disabilities preschool and school age allotments to reflect actual student headcount. This adjustment revises budgeted funding for both preschool and school-age children with special needs to reflect the April 1, 2015 headcount and does not modify per-student funding.

11 Average Certified Personnel Salaries (Multiple)

(\$14,839,270) R (\$14,977,035) R

Revises budgeted funding for certified personnel salaries based on actual salary data from December 2014. The adjustment does not reduce any salary paid to certified personnel, nor does it reduce the number of guaranteed State-funded teachers, administrators, or instructional support personnel.

12 Classroom Teachers (1800)

\$254,586,185 R \$254,586,185 R

Adjusts the receipts budgeted for the Classroom Teachers allotment to reflect a new distribution of Lottery receipts. This adjustment, while eliminating Lottery support for this allotment, does not impact the combined total funding from Lottery and other General Fund sources available to it.

13 Noninstructional Support Personnel (1800)

(\$310,455,157) R (\$314,950,482) R

Adjusts the receipts budgeted for the Noninstructional Support Personnel allotment to reflect a new distribution of Lottery receipts. This adjustment, while significantly reducing General Fund support for this allotment, does not impact the combined total funding from Lottery and other General Fund sources available to it.

14 Civil Penalties (1800)

(\$3,978,850) R (\$3,978,850) R
 (\$3,978,850) NR

Increases budgeted receipts from Civil Penalties and takes a corresponding nonrecurring General Fund reduction. The nonrecurring reduction reflects actual overrealized receipts in FY 2014-15, while the recurring reduction reflects an increased estimate of anticipated FY 2015-17 receipts.

C. Public School Funding Adjustments

15 Low Wealth Supplemental Funding (1800)

(\$10,091,091) R (\$10,091,091) R

Adjusts the supplemental allotment for school districts in low wealth communities to align funding availability with actual school district eligibility. This adjustment will not reduce funding to eligible districts. A related provision in this act adjusts the Low Wealth formula to provide the same amount of supplemental funding to school districts in certain low wealth counties as received in the 2012-2013 fiscal year. These local school administrative units have an average daily membership of more than 23,000 students and are in counties that also contain a base of the Armed Forces of the United States. \$205.5 million will be available in this allotment.

16 Teacher Assistants (1800)

\$138,134,525 R \$138,134,525 R

Provides funding sufficient to maintain the FY 2014-15 level of support for this allotment. Additional funds are provided in the "Average Daily Membership" item that will have the impact of increasing overall support for Teacher Assistants due to increased student headcount. \$377.1 million will be available in this allotment in FY 2015-16 and FY 2016-17.

17 Increased Funding for Classroom Teachers (1800)

\$26,898,798 R

Increases funding to school districts for guaranteed Classroom Teachers positions in grade 1. Beginning in FY 2016-17, the teacher allotment ratio will be decreased by 1 student per teacher in grade 1 to provide 1 teacher per 16 students.

Total funding for guaranteed classroom teacher positions, inclusive of salary and benefits costs, will be \$4.31 billion in FY 2016-17.

18 Textbooks and Digital Resources (1800)

\$21,820,000 R \$31,030,837 R

Increases General Fund support for textbooks and digital resources, bringing total funding for this allotment to \$52.4 million in FY 2015-16 and \$62.0 million in FY 2016-17.

19 School Connectivity Initiative (1900)

\$2,000,000 R \$12,000,000 R

Provides additional support for this initiative that brings broadband connectivity to all K-12 public school buildings in the State. New funds will allow enhancement of school-level internal Wi-Fi networks to provide high-quality, reliable connectivity to the classroom level. Total State funding for School Connectivity will total \$21.9 million in FY 2015-16 and \$31.9 million in FY 2016-17.

FY 15-16

FY 16-17

20 Cooperative and Innovative High Schools (1821)

\$621,338 R
\$100,000 NR

\$932,007 R

Provides Cooperative and Innovative High Schools (CIHS) allotment support to fulfill the funding requests for new CIHSs. Funding will support schools in Pitt, Watauga, and Wilson Counties. These schools will receive the \$310,669 allotment provided to other CIHS programs. Wilson Academy of Applied Technology will receive nonrecurring planning funds in FY 2015-16 and the full CIHS allotment beginning in FY 2016-17, as it will open a year later than the other CIHSs listed above. Total support in the Public Schools budget for CIHS programs will be \$24.3 million in FY 2015-16 and \$24.5 million in FY 2016-17.

21 Cooperative and Innovative High School Tuition (1821)

\$800,000 R

\$800,000 R

Provides additional support to the Department of Public Instruction (DPI) for the payment of tuition at four-year colleges and universities on behalf of students taking college-level classwork through CIHS programs. Total support for tuition will be \$2.5 million.

22 Transportation (1830)

(\$25,079,807) R

(\$25,079,807) R

Reduces by approximately 5% the total budget for the allotment, which supports the salaries of transportation personnel, diesel fuel, replacement parts, and the maintenance of yellow school buses. This reduction reflects a lower projected cost for diesel fuel (\$2.17/gallon) than is included in the base budget (\$3.15/gallon). Total funding for this allotment will be \$444.4 million in FY 2015-16 and FY 2016-17.

23 ADM Contingency Reserve (1800)

\$2,500,000 R

\$2,500,000 R

Provides funding for the ADM Contingency Reserve to offset the potential costs associated with two virtual charter schools beginning operations in the 2015-16 school year. Total support for the reserve will be \$8.8 million.

24 Read to Achieve (RTA) Reading Camp-1st & 2nd Grade Expansion (multiple)

\$20,000,000 R

\$20,000,000 R

Provides additional funds to expand the RTA Reading Camps to serve 1st and 2nd graders, in addition to the currently served 3rd graders. As specified in a related provision, newly eligible summer camp participants will be 1st and 2nd grade students who demonstrate reading comprehension below grade level as identified through the administration of formative and diagnostic assessments. These expansion funds shall be allocated in a manner consistent with allocation of the summer camp funding for 3rd graders.

25 Excellent Public Schools Act (Multiple)

\$3,812,141 R

\$8,520,748 R

Provides additional funds to the Department of Public Instruction to carry out elements of the Excellent Public Schools Act contained in Section 7A.1 and Section 7A.7 of S.L. 2012-142. DPI will have \$41.8 million available to implement these requirements in FY 2015-16 and \$46.5 million in FY 2016-17.

26 Education Value Added Assessment System (EVAAS) (1800)

Provides additional support to expand EVAAS capacities in support of the Read to Achieve program as well as student and teacher performance measurement. Total State support for EVAAS will be \$3.7 million.

\$871,474	R	\$871,474	R
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27 Driver Training (1830)

Provides nonrecurring funding to support Driver Training programs administered at the LEA level. State support in FY 2016-17 for this activity is provided by Civil Fines and Forfeitures.

\$24,120,000	NR
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28 Regional Schools (1821)

Provides additional funding to the Northeast Regional School of Biotechnology and Agriscience in Jamesville, NC.

\$310,669	R	\$310,669	R
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D. Grants

29 Beginnings for Children, Inc. (1901)

Provides support to expand the programs and services provided by Beginnings for Parents of Children Who Are Deaf or Hard of Hearing, Inc. (Beginnings), as part of its outreach and support to North Carolina families. Total FY 2015-16 and FY 2016-17 State support for Beginnings will be \$1,004,216.

\$84,486	R	\$84,486	R
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30 Eastern North Carolina STEM Summer Program (1901)

Provides funds to the State Board of Education to contract with an independent entity to administer a residential science, mathematics, engineering and technology (STEM) enrichment program for students traditionally underserved. Participation in the program shall be limited to students of the Northampton County Schools, Weldon City Schools, Roanoke Rapids City Schools and KIPP Pride High School.

\$180,000	NR	\$180,000	NR
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E. Department of Public Instruction

31 DPI Flexible Reduction (Multiple)

Reduces State General Fund support for DPI by 5.2%. The State Board of Education may allocate this reduction at its discretion. \$45.3 million will remain available to support DPI operations.

(\$2,500,000)	R	(\$2,500,000)	R
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Total Legislative Changes

\$266,735,700	R	\$313,231,521	R
\$144,000,497	NR	\$180,000	NR

Total Position Changes

Revised Budget

\$8,516,769,297	\$8,419,444,621
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Community Colleges

GENERAL FUND

Recommended Base Budget	FY 15-16		FY 16-17
	\$1,048,495,115		\$1,048,495,115

Legislative Changes

A. Reserve for Salaries and Benefits

<p>32 Compensation Reserve - Community Colleges</p> <p>Provides funds for salary increases for State-funded local community college employees. Community Colleges are given flexibility in allocating these funds to their State-funded employees.</p>	\$10,000,000	R	\$20,000,000	R
<p>33 Compensation Reserve - Community Colleges</p> <p>Provides funds for a \$750 one-time bonus for State-funded community college employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes.</p>	\$14,935,807	NR		
<p>34 Compensation Reserve - System Office</p> <p>Provides funds for a \$750 one-time bonus for State employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes.</p>	\$135,234	NR		
<p>35 State Retirement Contributions - Community Colleges</p> <p>Increases the State's contribution for members of the Teachers' and State Employees' Retirement System to fund increased retiree medical premiums. Total General Fund appropriation across all sections in the committee report is \$11.0 million in FY 2015-16 and FY 2016-17.</p>	\$1,025,726	R	\$1,025,726	R
<p>36 State Retirement Contributions - System Office</p> <p>Increases the State's contribution for members of the Teachers' and State Employees' Retirement System to fund increased retiree medical premiums. Total General Fund appropriation across all sections in the committee report is \$11.0 million in FY 2015-16 and FY 2016-17.</p>	\$13,256	R	\$13,256	R
<p>37 State Health Plan - Community Colleges</p> <p>Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General Fund for the 2015-17 fiscal biennium.</p>	\$1,699,899	R	\$1,699,899	R
<p>38 State Health Plan - System Office</p> <p>Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General Fund for the 2015-17 fiscal biennium.</p>	\$15,392	R	\$15,392	R

B. Technical and Formula Adjustments

39 Enrollment Growth Adjustment (Multiple)

(\$6,466,443) R (\$6,466,443) R

Adjusts funds for the biennium based on the decline in community college enrollment.

The Community College System total enrollment declined by 4,864 Full Time Equivalent (FTE) students (2.1%) from the budgeted amount in the FY 2014-15 certified budget for a savings of \$6.5 million.

40 Summer Enrollment Funding (Multiple)

\$16,968,959 R

Allows the Community College System to include curriculum courses taught year round in the enrollment funding calculation for General Fund support. There are currently 3,458 Full Time Equivalent students enrolled within these courses at a Community College campus in the Summer Term. These FTEs would now be included in the enrollment funding formula to receive State support at the Tier 2 allocation rate (\$4,907 per FTE).

41 Curriculum Tuition (1620)

(\$8,069,397) R (\$16,138,793) R

Increases curriculum tuition by \$4.00 per credit hour and budgets the expected increase in receipts. The increase is effective beginning Spring Semester 2016.

Tuition will increase from \$72 to \$76 per credit hour for residents and from \$264 to \$268 for non-residents. Tuition for resident students will increase by a maximum of \$128 per year, from \$2,304 to \$2,432.

C. Other Adjustments

42 Procurement Efficiencies (Multiple)

(\$2,519,343) R (\$2,519,343) R

Reduces funds related to purchase and contract to reflect efficiencies created by participation in the State's Procurement Transformation Program administered by the Department of Administration.

43 Audit Services (1300)

\$551,752 R \$551,752 R

Restores funding for the System Office's Audit Services division.

7.00 7.00

44 Equipment (1623)

\$7,500,000 NR

Provides funds for the purchase of instructional equipment and technology at all 58 colleges. These funds are in addition to the \$49.0 million included in the base budget for this purpose. Funds shall be distributed in accordance with the existing equipment allocation formula.

45 Caldwell Community College Truck Driver Training Program (1624)

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

Provides funds for the Caldwell Community College Truck Driver Training program.

46 NC Works Career Coaches

\$500,000 R \$1,000,000 R

Establishes a program to place local community college-employed career coaches in high schools.

47 Fayetteville Technical Community College Botanical Lab (1624)

Increases support for the Botanical Lab at Fayetteville Technical Community College by \$100,000 nonrecurring in each year of the biennium. The total program funding for both FY 2015-16 and FY 2016-17 will be \$200,000.

\$100,000 NR \$100,000 NR

D. Financial Aid Adjustments

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

Eliminates funding for the Yellow Ribbon Program which leveraged federal matching funds to reduce tuition costs for certain non-resident veterans.

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

49 Resident Tuition for Certain Non-Resident Veterans (1620)

Provides funds to offset a reduction in tuition receipts as a result of granting certain non-resident veterans resident status for tuition purposes. The federal Veterans Access, Choice, and Accountability Act of 2014 requires public institutions of higher education to charge certain non-resident veterans no more than the resident tuition and fee rates or risk losing approval to receive federal educational benefits. This item funds the expected costs of compliance with that Act for the Community College System.

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

Total Legislative Changes

(\$2,099,158) R \$17,300,405 R

\$22,671,041 NR \$100,000 NR

Total Position Changes

7.00 7.00

Revised Budget

\$1,069,066,998 \$1,065,895,520

UNC System

GENERAL FUND

	FY 15-16	FY 16-17
Recommended Base Budget	\$2,647,296,221	\$2,647,304,656

Legislative Changes

A. Reserve for Salaries and Benefits

50 Compensation Reserve

Provides funds for a \$750 one-time bonus for UNC employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes. In addition, funds are appropriated for the changes to the Statewide teacher salary schedule that affect NC School of Science and Math teachers within the UNC System.

\$58,980	R	\$58,980	R
\$27,212,889	NR		

51 State Retirement Contributions - TSERS Members

Increases the State's contribution for members of the Teachers' and State Employees' Retirement System to fund increased retiree medical premiums. Total General Fund appropriation across all sections in the committee report is \$11.0 million in FY 2015-16 and FY 2016-17.

\$1,458,018	R	\$1,458,018	R
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52 State Retirement Contributions - ORP Members

Increases the State's contribution for members of the Optional Retirement Program to fund increased retiree medical premiums.

\$988,900	R	\$988,900	R
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53 State Health Plan

Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General Fund for the 2015-17 fiscal biennium.

\$3,097,323	R	\$3,097,323	R
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B. Technical and Formula Adjustments

54 Enrollment Growth Adjustments (16011)

Fully funds the projected enrollment growth at the University of North Carolina (UNC) System for FY 2015-16. Enrollment is expected to increase by 3,345 Full Time Equivalent (FTE) students (1.7%) in FY 2015-16. Funding associated with projected FY 2016-17 FTE growth is reserved in the "Reserves, Debt Service and Adjustments" section of this report.

\$49,324,741	R	\$49,324,741	R
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55 Building Reserves (Multiple)

Provides funding for new and renovated buildings coming online during the FY 2015-17 biennium at Appalachian State University, East Carolina University, North Carolina State University, and UNC-Wilmington.

\$470,912	R	\$714,678	R
\$170,282	NR	\$91,170	NR

C. Other Adjustments

56 Elizabeth City State University: Budget Stabilization Funds (16086)

Provides funds to Elizabeth City State University to stabilize enrollment. The funds will be used to enhance technology related to enrollment and recruitment of students, campus access and safety, and human resource management.

\$3,000,000 NR \$3,000,000 NR

57 Management Flexibility Reduction (16011)

Mandates a management flexibility reduction for the UNC operating budget. The UNC Board of Governors shall not allocate this reduction on an across-the-board basis to constituent institutions.

(\$17,913,812) R (\$43,474,267) R
(\$3,000,000) NR

58 Advancement Activity Limitations (16011)

Caps the use of General Fund appropriations for campus advancement activities at \$1 million per campus. The following campuses do not receive a reduction: Elizabeth City State University, Fayetteville State University, University of North Carolina School of the Arts, Western Carolina University, and North Carolina School of Science and Math.

(\$16,354,396) R

59 East Carolina University: Medical School Sustainability Funds (16066)

Provides funds to stabilize the Brody School of Medicine due to lower revenues.

\$8,000,000 NR \$8,000,000 NR

60 Mountain Area Health Education Center (16022)

Provides funds to the Mountain Area Health Education Center for surgery and family medicine residencies in the MAHEC service area.

\$8,000,000 R \$8,000,000 R

61 Medical Scholars Program (16021)

Provides funds to the University of North Carolina's School of Medicine Kenan Medical Scholars program at Chapel Hill. This program supports students with a specialization interest in primary care, general surgery, and psychiatry who are interested in practicing medicine in a rural area.

\$1,000,000 R \$1,000,000 R

62 Western Governors University Challenge Grant (16015)

Provides a challenge grant to Western Governors University for development of a North Carolina campus contingent on the University raising \$5 million in private funds.

\$2,000,000 NR

63 Academic Summer Bridge Program (16011)

Eliminates funding for the Academic Summer Bridge Program.

(\$1,193,000) R (\$1,193,000) R

64 Hunt Institute (16020)

Eliminates General Fund support for The Hunt Institute.

(\$737,230) R (\$737,230) R

65 UNC Core (16020)

Provides funds to support course development for UNC Core, a program of online instruction for active duty service members and veterans housed at the Friday Center for Continuing Education at UNC-Chapel Hill.

\$1,000,000	R	\$1,000,000	R
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66 ASU: Recruit Community College Students Pilot (16080)

Provides nonrecurring funds to establish a pilot program in the Appalachian State University College of Education for the purposes of recruiting and retaining community college students. The program ends in FY 2017-18.

\$140,868	NR	\$140,868	NR
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67 Union Square Campus, Inc. (16011)

Provides additional funds to the Union Square Campus, Inc., a non-profit entity providing nursing education and training facilities with North Carolina A&T, UNC Greensboro, Guilford Technical Community College, and Cone Health. This project received \$2 million in nonrecurring funds in FY 2014-15.

\$2,000,000	NR		
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D. Financial Aid Adjustments

68 Yellow Ribbon G.I. Education Enhancement Program (16011)

Eliminates funding for the Yellow Ribbon Program which leveraged federal matching funds to reduce tuition costs for certain non-resident veterans.

(\$4,863,276)	R	(\$4,863,276)	R
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69 Resident Tuition for Certain Non-Resident Veterans (16011)

Provides funds to offset a reduction in tuition receipts as a result of granting certain non-resident veterans resident status for tuition purposes. The federal Veterans Access, Choice, and Accountability Act of 2014 requires public institutions of higher education to charge certain non-resident veterans no more than the resident tuition and fee rates or risk losing approval to receive federal educational benefits. This item funds the expected costs of compliance with that Act for the UNC System.

\$9,300,762	R	\$9,300,762	R
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70 NC Need-Based Scholarships (16015)

Provides additional nonrecurring funds for the NC Need-Based Scholarship for resident students attending private colleges. This represents a 2% increase in funding for this program and provides \$88.4 million in scholarships once the full increase goes into effect for FY 2016-17.

\$1,000,000	R	\$2,000,000	R
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71 Principal Preparation (16015)

Creates a competitive grant program for principal development to be administered by the State Education Assistance Authority.

\$500,000	R	\$1,000,000	R
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72 Opportunity Scholarships (16015)

Increases funds for the Opportunity Scholarships program. The program provides scholarship grants of up to \$2,100 per semester for eligible students to attend nonpublic schools. The total program funding will be \$17.6 million in FY 2015-16 and \$24.8 million in FY 2016-17. Program funding in FY 2016-17 will be an increase of 129% over FY 2014-15 levels.

\$6,800,000	R	\$14,000,000	R
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Conference Committee Report

	FY 15-16		FY 16-17	
73 National Guard Tuition Assistance Program (16012)	\$200,000	R	\$200,000	R
Increases funding for the National Guard Tuition Assistance Program by 10%, which provides financial aid to active members of the North Carolina Army or Air National Guard. The total program funding after the adjustment will be \$2.1 million.				
74 Special Education Scholarships (16015)	\$250,000	R	\$250,000	R
Increases funds for the Special Education Scholarships program by 6%. The program provides scholarship grants of up to \$4,000 per semester for eligible students. The total funding after this adjustment will be \$4.2 million.				
<hr/>				
Total Legislative Changes	\$58,742,318	R	\$25,771,233	R
	\$40,524,039	NR	\$10,232,038	NR
Total Position Changes				
Revised Budget	\$2,746,562,578		\$2,683,307,927	
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**Health
and
Human Services
Section G**

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Health and Human Services

GENERAL FUND

	FY 15-16		FY 16-17	
Recommended Base Budget	\$89,605,783		\$89,605,783	

Legislative Changes

(1.0) Division of Central Management and Support

1 State Health Plan	\$594,352	R	\$594,352	R
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General Fund for the 2015-17 fiscal biennium.				
2 State Retirement Contributions	\$340,897	R	\$340,897	R
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System to fund increased retiree medical premiums. Total General Fund appropriation across all sections in the committee report is \$11.0 million in FY 2015-16 and FY 2016-17.				
3 Compensation Reserve	\$124,148	R	\$124,148	R
Provides funds for a \$750 one-time bonus for State employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes. In addition, funds are appropriated for the changes to the Statewide teacher salary schedule that affect State agency teachers within the Department.				
4 Health Information Exchange (1910)	(\$2,000,000)	R	(\$2,000,000)	R
Eliminates recurring funding for the exchange in accordance with S.L. 2015-7.				
5 Vacant Positions	(\$1,481,673)	R	(\$1,481,673)	R
Eliminates vacant positions within the Department of Health and Human Services.				
6 Competitive Block Grant Transfer (1910)	(\$75,000)	R	(\$75,000)	R
Transfers funds from the complete block grant for Accessible Electronic Information for the Blind to the Division of Services for the Blind. Combined with the Competitive Block Additional Funds item, the total competitive block grant appropriation is increased by 11% to \$14,506,411.				
7 Health Net Grants (1372)	(\$2,250,000)	R	(\$2,250,000)	R
Eliminates the NC Health Net program and allocates half of the remaining funding to the Community Health Grants program. The Community Health Grant program is increased by 42% to \$7.5 million.				
8 Miscellaneous Contractual Services (1120)	(\$3,200,000)	NR		
Reduces funding for contracts in central management. Over \$3.1 million remains in the budget for this purpose in central management.				

9 NC FAST Required Changes (2411,1122)

Provides funds to make the required changes to NC FAST associated with allowing the Eastern Band of the Cherokee to administer their Medicaid and Food and Nutrition Services Programs in accordance with State law.

\$360,000	R	\$360,000	R
\$3,200,000	NR		

10 NC FAST- Operations and Maintenance (2411, 1122)

Provides \$9,871,059 in FY 2015-16 and \$13,220,665 in FY 2016-17 in additional receipts for ongoing maintenance and operations for the NC FAST system. Three technology support analyst positions will be created and funded with the additional receipts. Total funding for this purpose is \$60 million for FY 2015-16 and \$47.5 million for FY 2016-17

11 NC FAST (2411, 1122)

Provides funding for continued system development including using prior-year earned revenue in the nonrecurring amount of \$9.4 million in FY 2015-16 and FY 2016-17, to bring the total funding for NC FAST, along with federal funding, to \$77.7 million for FY 2015-16 and \$84.4 million for FY 2016-17.

\$5,803,000	NR	\$13,052,000	NR
37.00		40.00	

12 NCTRACKS (2413, 1122)

Provides recurring funding for the operation and maintenance of NC TRACKS. Additional nonrecurring funding is provided for the development and implementation of 2 projects; ICD-10 which is used to code medical procedures and the Business Process Automated System for the Division of Health Service Regulation. Total funding for this purpose is over \$60 million for FY 2015-16 and FY 2016-17.

\$400,000	R	\$400,000	R
\$2,300,000	NR	\$940,000	NR

13 Health Information Exchange (HIE) (1910)

Funding is provided to continue efforts towards the implementation of a statewide HIE.

\$8,000,000	R	\$8,000,000	R
\$4,000,000	NR	\$4,000,000	NR

14 Government Data Analytics Center (1910)

Funds a contract for the development for new and enhanced health data analytics capability and functionality for the Department.

\$250,000	R	\$250,000	R
\$750,000	NR		

15 Office of Program Evaluation, Reporting and Accountability (1910)

Establishes an Office within the Department of Health and Human Services to evaluate effectiveness and efficiency of programs as Directed by the Secretary, Governor and as requested by the General Assembly.

\$250,000	R	\$500,000	R
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16 Community Paramedicine Pilot Project

Provides funds to implement 3 pilot projects focused on expanding the role of paramedics to allow for community-based initiatives designed to avoid nonemergency use of hospital emergency rooms.

\$350,000	NR		
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17 Competitive Block Grant Additional Funds (1910)

Increases funds for long-term, residential substance abuse services.

\$1,625,000	R	\$1,625,000	R
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Conference Committee Report

FY 2015-16

FY 2016-17

18 Office of the State Auditor - Financial Audit

\$450,000

R

\$450,000

R

Provides funds for a comprehensive financial audit of DHHS for FY 2014-15 and FY 2015-16. These funds shall be transferred to the Office of the State Auditor to perform the financial audit.

19 Community Mental Health Initiatives (1910)

\$7,848,341

R

\$15,597,746

R

Provides funds pursuant to the U.S. Department of Justice settlement agreement to continue to develop and implement housing, support, and other services for people with mental illness. This action increases the settlement budget to \$27.5 million in FY 2015-16 and to \$35.3 million in FY 2016-17.

Total Legislative Changes

\$14,436,065

R

\$22,435,470

R

\$18,424,738

NR

\$17,992,000

NR

Total Position Changes

-20.00

-17.00

Revised Budget

\$122,466,586

\$130,033,253

Health and Human Services

GENERAL FUND

	FY 15-16		FY 16-17	
Recommended Base Budget	\$42,845,788		\$42,845,788	
Legislative Changes				
(2.0) Division of Aging and Adult Services				
20 Home and Community Care Block Grant (1370,1451)				
Restores the reduction taken in FY 2014-15, increasing the Home and Community Care Block Grant total availability by 2% to \$55 million.	\$969,549	NR	\$969,549	NR
Total Legislative Changes	\$969,549	NR	\$969,549	NR
Total Position Changes				
Revised Budget	\$43,815,337		\$43,815,337	

Health and Human Services

GENERAL FUND

	FY 15-16		FY 16-17
Recommended Base Budget	\$249,687,727		\$249,687,727

Legislative Changes

(3.0) Division of Child Development and Early Education

21 Federal Funding for NC Pre-K (1330)

Budgets Temporary Assistance for Needy Families block grant funding on a nonrecurring basis for NC Pre-K. (\$16,829,306) NR (\$12,333,981) NR

22 Cost-Allocate Staff (1110)

Budgets federal block grant funds for positions within the Division of Child Development and Early Education. Total availability for this program is not changed. (\$507,577) R (\$507,577) R

23 Child Care Subsidy (1380)

Budgets Temporary Assistance for Needy Families (TANF) and TANF Contingency Block grant funds on a nonrecurring basis for child care subsidy. Total availability for this program is not changed. (\$5,211,614) NR (\$2,835,482) NR

24 NC Pre-K (1330)

Provides funding for NC Pre-K, including \$2,716,401 in Lottery receipts. Total availability is \$144.2 million. \$2,323,599 R \$2,323,599 R

25 Child Care Subsidy Market Rate Increase (1380)

Provides funding to increase the Child Care Subsidy market rate, effective January 1, 2016, to the recommended rates based on the 2015 Market Rate study for ages 0,1 and 2 in 3-, 4-, and 5-star centers and homes in Tier 1 and 2 counties. Total availability for FY 2015-16 is increased by 1.3% to \$330.4 million and for FY 2016-17 is increased by 1.5% to \$333.4 million. \$3,000,000 R \$6,000,000 R

26 North Carolina Early Childhood Integrated Data System (ECIDS) (1163)

Provides funding for ECIDS, an integrated system of early childhood education, health, and social service information focused on children ages 0-5 receiving State and federal services. The system is designed to provide information about when and how children are being served and the program services they receive. ECIDS will connect with the Department of Public Instruction's data system to allow analysis of the effects of early childhood programs and services over time. \$699,690 R

Conference Committee Report

FY 2015-16

FY 2016-17

Total Legislative Changes	\$4,816,022	R	\$8,515,712	R
	(\$22,040,920)	NR	(\$15,169,463)	NR
Total Position Changes				
Revised Budget	\$232,462,829		\$243,033,976	

Health and Human Services

GENERAL FUND

Recommended Base Budget	FY 15-16		FY 16-17	
	\$180,017,803		\$180,017,803	

Legislative Changes

(4.0) Division of Social Services

<p>27 State-County Special Assistance (1570) Reduces funding for State-County Special Assistance due to a decline in the number of individuals participating in the program. The FY 2015-16 total availability is decreased by 6% leaving \$125.8 million. The FY 2016-17 total availability is decreased by 8.6% leaving \$122.3 million.</p>	<p>(\$4,000,000) R</p>	<p>(\$5,750,000) R</p>
<p>28 Personal Services Contracts (1110) Eliminates funding for personal services contracts in the Services Support fund. There is \$2.5 million remaining for this purpose across all funds in the division.</p>	<p>(\$9,540) R</p>	<p>(\$9,540) R</p>
<p>29 Foster Care Caseload Increase (1532) Increases funding for foster care to support the growth in the foster care caseload. Paid placements are expected to increase by 6% in FY 2015-16 and 3% in FY 2016-17. Increases total availability by 6.9% to \$192.7 million in FY 2015-16. Increases total availability by 11.7% to \$201.2 million in FY 2016-17.</p>	<p>\$4,500,000 R</p>	<p>\$7,500,000 R</p>
<p>30 Foster Care Expansion to Age 21 (1532) Provides funding to increase the age to 21 for youth in foster care. This item along with the Foster Care Caseload item increases the total availability for FY 2016-17 by 13.8% to \$205 million.</p> <p>Social Services Program Coordinator - \$58,951</p>	<p>\$50,000 R</p> <p>1.00</p>	<p>\$1,000,000 R</p> <p>1.00</p>
<p>31 Child Advocacy Centers Provides funding for child advocacy centers.</p>	<p>\$400,000 NR</p>	
<p>32 Adoption Assistance for Youth Adopted after Age 16 (1531) Provides funds for Adoption Assistance to age 21 for youth adopted after age 16. Federal rules require that if states extend foster care past age 18, they must extend adoption assistance for youth adopted after age 16 to the same age as foster care. This increases the total availability for Adoption Assistance to \$105.7 million.</p>		<p>\$100,000 R</p>
<p>33 Successful Transition of Youths in Foster Care (1532) Provides funds to support a demonstration project with services provided by Youth Villages to improve outcomes for youth ages 17-21 years who transition from foster care through implementation of outcome-based Transitional Living Services.</p>	<p>\$1,300,000 R</p>	<p>\$1,750,000 R</p>

Conference Committee Report

FY 2015-16

FY 2016-17

34 Maternity Homes (1110)

\$925,000 R

\$925,000 R

Provides recurring funding for maternity homes. Funding remains the same as the FY 2014-15 level of \$1.3 million.

35 Child Support Enforcement Incentive Payments(1371)

Budgets federal Child Support Enforcement incentive payments. The Division shall retain up to 15% of annual federal incentive payments it receives to enhance centralized child support services. No less than 85% of the federal incentive payments must be allocated to county child support services programs to improve effectiveness and efficiency.

Total Legislative Changes	\$2,765,460	R	\$5,515,460	R
	\$400,000	NR		
Total Position Changes	1.00		1.00	
Revised Budget	\$183,183,263		\$185,533,263	

Health and Human Services

GENERAL FUND

	FY 15-16		FY 16-17	
Recommended Base Budget	\$141,283,615		\$141,283,615	

Legislative Changes

(5.0) Division of Public Health

36 Office of Minority Health (1262)

Budgets additional federal Preventive Health Services Block Grant funds to be used for community health disparities grants and maintains \$3,299,576 in total funds available. (\$2,756,865) NR

37 AIDS Drug Assistance Program Receipts (1460)

Budgets additional drug rebate receipts and maintains funds available for AIDS pharmaceuticals at \$47,844,707. (\$6,268,646) R (\$6,268,646) R

38 Physical Activity and Nutrition Program (1261)

Budgets additional federal Preventive Health Services Block Grant funds. \$9,436,780 remains in total funds available. (\$1,243,899) NR

39 Personal Services and University Contracts (1110)

Reduces funding for university and personal services contracts. \$3,551,989 remains available for this purpose. (\$70,072) R (\$70,072) R

40 QUITLINE Receipts (1271)

Budgets additional Medicaid receipts and maintains the Quitline's budget at \$1,200,000. (\$100,000) R (\$100,000) R

41 Office of Chief Medical Examiner (OCME) - Autopsy Costs (1172)

Budgets revenue generated from autopsy fee increase and eliminates the \$400 supplement paid for autopsies performed by contractors, a savings of \$1,080,000. This is offset by the increased contract rate that OCME will pay for contracted autopsies that are not billed to counties, a cost of \$418,500. Total funding after all actions in this report will be \$8.6 million in FY 2015-16 and \$10.4 million in FY 2016-17. (\$661,500) R (\$661,500) R

42 Office of Chief Medical Examiner - Equipment (1172)

Provides funds to replace outdated and obsolete equipment. Total funding after all actions in this report will be \$8.6 million in FY 2015-16 and \$10.4 million in FY 2016-17. \$400,000 NR \$400,000 NR

43 Office of Chief Medical Examiner - Automation (1172)

Provides funds to replace and upgrade the Medical Examiner Information System. Total funding after all actions in this report will be \$8.6 million in FY 2015-16 and \$10.4 million in FY 2016-17. \$2,195,000 NR

<p>44 Office of Chief Medical Examiner - Transportation (1172) Provides funds to increase the rate paid for transporting bodies for death investigations or to the OCME autopsy centers. Total funding after all actions in this report will be \$8.6 million in FY 2015-16 and \$10.4 million in FY 2016-17.</p>	<p>\$400,000 R</p>	<p>\$400,000 R</p>
<p>45 Office of Chief Medical Examiner - Training (1172) Provides funds to implement mandatory annual training for county medical examiners. Total funding after all actions in this report will be \$8.6 million in FY 2015-16 and \$10.4 million in FY 2016-17.</p>	<p>\$100,000 R</p>	<p>\$100,000 R</p>
<p>46 ECU and Wake Forest University Forensic Pathologist Fellowships (1172) Provides funds to support 1 Forensic Pathologist Fellowship each at East Carolina and Wake Forest Universities. The fellows will perform autopsies at the State's regional autopsy centers. Total funding after all actions in this report will be \$8.6 million in FY 2015-16 and \$10.4 million in FY 2016-17.</p>	<p>\$250,000 R</p>	<p>\$250,000 R</p>
<p>47 Office of Chief Medical Examiner - Autopsy Fee Receipts (1172) Budgets increased annual autopsy fee receipts of \$585,000 paid by counties. Effective October 1, 2015, the autopsy fee will increase from \$1,250 to \$2,800. The new fee approximates the actual cost to perform an autopsy. Total funding after all actions in this report will be \$8.6 million in FY 2015-16 and \$10.4 million in FY 2016-17.</p>	<p>\$0 R</p>	<p>\$0 R</p>
<p>48 Office of Chief Medical Examiner (OCME) - Autopsy Fee Supplement Provides funds to offset the difference between the rate that counties will be billed for autopsies, \$1,750, and the cost of performing an autopsy, \$2,800.</p>	<p>\$3,780,000 R</p>	<p>\$3,780,000 R</p>
<p>49 State Public Health Laboratory (1174) Budgets funds to provide rabies drugs to indigent persons who have been exposed to rabid animals. This action increases funds available for drug supplies to \$280,466.</p>	<p>\$110,000 R</p>	<p>\$110,000 R</p>
<p>50 Electronic Death Records System (1173) Provides funds to develop and implement an Electronic Death Records System. This action increases the vital records automation budget from \$36,052 to \$510,639 in FY 2015-16 and to \$1,506,083 in FY 2016-17.</p>	<p>\$106,587 R \$368,000 NR 2.00</p>	<p>\$138,531 R \$1,331,500 NR 2.00</p>
<p>51 Local Health Departments - Improve Birth Outcomes (13A1) Provides funds for a competitive block grant process for county health departments to increase access to prenatal care and improve birth outcomes. This action increases funding for Maternal and Infant Health to \$52.8 million.</p>	<p>\$2,500,000 R</p>	<p>\$2,500,000 R</p>

52 Nurse Family Partnership Program (13A1)

Provides funds for home visiting services provided by the Nurse Family Partnership Program. Of the amount provided, \$225,000 shall be used to add new and expand existing programs serving rural areas in the western and eastern portions of the State. Total funds available for the program is \$1.4 million.

\$900,000 R \$900,000 R

53 Perinatal Quality Collaborative of North Carolina (PQCNC) (13A1)

Provides funds to sustain PQCNC while it transitions during the FY 2015-17 biennium to become fully receipt-supported effective July 1, 2017. This action maintains funding at \$808,172 in FY 2015-16 and \$835,000 in FY 2016-17.

\$465,000 NR \$635,000 NR

54 Newborn Screening (1174)

Provides funding for equipment and supply purchases needed to expand newborn screening to include severe combined immunodeficiency (SCID) as required by H.B. 698. This action increases funding for newborn screening to \$24.4 million in FY 2015-16.

\$440,000 NR

55 Poison Control Center Funds (1332)

Provides funding for the Carolinas Poison Center 24-hour telephone hotline. This action increases the Children's Health Services budget to \$268 million.

\$1,000,000 R \$1,000,000 R

56 High Risk Maternity Clinic (13A1)

Provides funds for the East Carolina University High Risk Maternity Clinic.

\$375,000 R \$375,000 R

Total Legislative Changes

\$2,421,369 R \$2,453,313 R
(\$2,327,764) NR \$4,561,500 NR

Total Position Changes

2.00 2.00

Revised Budget

\$141,377,220 \$148,298,428

Health and Human Services

GENERAL FUND

Recommended Base Budget	FY 15-16		FY 16-17	
	\$680,179,847		\$680,179,847	

Legislative Changes

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

<p>57 Personal Services Contracts (1110) Reduces funding for personal services contracts. \$535,015 remains available for personal and miscellaneous contractual services in each year of the biennium.</p>	<p>(\$243,886)</p>	<p>R</p>	<p>(\$243,886)</p>	<p>R</p>
<p>58 Alcohol and Drug Abuse Treatment Centers (ADATC) (156D, 156E, 156F) Eliminates the General Fund appropriations and converts the State-operated ADATCs to 100% receipt-supported.</p>	<p>(\$37,381,817)</p>	<p>R</p>	<p>(\$37,381,817)</p>	<p>R</p>
<p>59 Single Stream Funding (1422) Reduces single-stream funding and replaces it with LME/MCO cash balance for both years of the biennium.</p>	<p>(\$110,808,752)</p>	<p>NR</p>	<p>(\$152,850,133)</p>	<p>NR</p>
<p>60 Paramedicine/ER Diversion Pilot Projects (1464) Provides funds to pilot the use of emergency medical services (EMS) departments to assess and transport persons with a mental health or substance abuse crisis to a non-hospital setting such as a behavioral health urgent care center. The amount provided will expand the existing pilot from 1 to 14 sites and complete a study after one year. This action increases the pilot budget from \$60,000 to \$285,000.</p>	<p>\$225,000</p>	<p>NR</p>		
<p>61 New Broughton Hospital (1541, 1561) Provides funds for technology infrastructure, furniture, and equipment for the Broughton Hospital replacement facility scheduled to open in December 2016.</p>	<p>\$16,598,589</p>	<p>NR</p>		
<p>62 Inflationary Increases for State Facilities (14460) Provides funds to offset inflationary increases in utilities, food, and other costs at the State-operated healthcare facilities. This action increases the total funds available for the facilities to \$897,841,574 in FY 2015-16 and \$898,180,502 in FY 2016-17.</p>	<p>\$2,819,802</p>	<p>R</p>	<p>\$3,158,730</p>	<p>R</p>
<p>63 Three-way Psychiatric Beds (1464) Provides funds to increase the number of community hospital beds that may be purchased to provide psychiatric inpatient treatment services. This action increases funding 7% to \$40,583,394 and will increase the three-way contract capacity from 165 to 172 beds.</p>	<p>\$2,463,750</p>	<p>NR</p>	<p>\$2,463,750</p>	<p>NR</p>

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FY 2015-16

FY 2016-17

64 START Teams (1445,1462)

Provides funds to expand START (Systematic, Therapeutic, Assessment, Resources and Treatment) Team services to children and adolescents with intellectual or developmental disabilities and to add respite services for both children and adults. This action increases the total funds available for child and adult NC START services from \$2,437,207 to \$3,981,207.

\$1,544,000 R

\$1,544,000 R

65 Substance Abuse Services Criminal Offenders - TASC (1463)

Provides funds to increase the number of TASC (Treatment Alternatives for Safer Communities) case managers who provide substance abuse assessment and referral services to criminal offenders who are maintained in the community instead of sentenced to prison or those who have been released from prison and are under supervision of a probation officer. This action will increase the TASC budget by 35% from \$5,362,122 to \$7,222,122.

\$1,860,000 R

\$1,860,000 R

66 Crisis Bed Registry (1110)

Provides funds to develop and operate a psychiatric bed registry to provide real-time information on the number of child, adolescent, and adult beds available at each licensed inpatient facility in the State.

\$134,000 R

\$134,000 R

\$350,000 NR
2.00

2.00

67 Substance & Alcohol Abuse Treatment Services (1442, 1463)

Provides funding to LME/MCOs to purchase inpatient alcohol and substance abuse treatment services from the State-operated ADATCs. This action increases the budget for LME/MCO alcohol and substance abuse treatment to \$77,692,211.

\$37,381,817 R

\$37,381,817 R

68 Cross-Area Service Programs (1422)

Provides funding to support individuals with intellectual/developmental disabilities including residential living, day services, supported employment opportunities, and family support services. This action increases the single stream funding budget to \$330,828,240 in FY 2015-16 and to \$331,628,240 in FY 2016-17.

\$800,000 R

\$1,600,000 R

69 Drug Overdose Medications (1463)

Provides funds to purchase opioid antagonists as defined in G.S. 90-106.2. This action increases funding for adult community substance abuse services to \$34,618,966.

\$50,000 NR

70 NC Controlled Substance Reporting System (1110)

Provides funding to strengthen controlled substance monitoring. This action increases the Services Support budget to \$14,116,956.

\$15,000 R

\$15,000 R

\$95,070 NR

Total Legislative Changes

\$6,928,916 R

\$8,067,844 R

(\$91,026,343) NR

(\$150,386,383) NR

Total Position Changes

2.00

2.00

Revised Budget

\$596,082,420

\$537,861,308

Health and Human Services

GENERAL FUND

	FY 15-16		FY 16-17
Recommended Base Budget	\$37,752,132		\$37,752,132
Legislative Changes			
(7.0) Division of Vocational Rehabilitation			
71 Access North Carolina Travel Program	\$0	R	\$0 R
Eliminates the Access NC Travel Guide due to the loss of Highway Fund receipts earmarked for this purpose. One position is eliminated:			
60054404, Communications Project Manager, \$41,729			
Total Legislative Changes	\$0	R	\$0 R
Total Position Changes			
Revised Budget	\$37,752,132		\$37,752,132

Health and Human Services

GENERAL FUND

	FY 15-16		FY 16-17	
Recommended Base Budget	\$16,022,641		\$16,022,641	
Legislative Changes				
(8.0) Division of Health Service Regulation				
72 Overnight Respite (1101)	\$82,606	R	\$88,033	R
Increases funding for staffing cost for a new Nursing Consultant and an Engineer/Architect Tech for new Medicaid waiver and Home and Community Care Block Grant services. The positions will perform initial and renewal inspections of Adult Care Homes and Adult Day Health Facilities and oversight of construction of facilities for overnight respite services. These positions are partially supported by initial and renewal certification fees and other receipts.	2.00		2.00	
Total Legislative Changes	\$82,606	R	\$88,033	R
Total Position Changes	2.00		2.00	
Revised Budget	\$16,105,247		\$16,110,674	

Health and Human Services

GENERAL FUND

	FY 15-16		FY 16-17	
Recommended Base Budget	\$3,532,548,786		\$3,532,548,784	

Legislative Changes

(9.0) Division of Medical Assistance

73 Personal Services Contracts (1101)	(\$425,447)	R	(\$850,895)	R
Reduces funding for personal services contracts effective 1/1/16. This leaves over \$3 million dollars in the Medicaid budget for this and similar spending.				
74 NCTRACKS Certification	(\$8,940,545)	R	(\$8,566,737)	R
	(\$19,600,000)	NR		
Increases federal receipts for the Medicaid program for claims adjudication and other functions contracted through Computer Sciences Corporation (CSC) effective 7/1/15 due to federal certification of the system. The NCTRACKS system was certified in April 2015, allowing the Federal Medical Assistance Percentage to increase from 50% to 75% on a recurring basis. This item includes the nonrecurring impact of recovering the difference in Federal Medical Assistance Percentage (FMAP) paid from 7/1/13 for NCTRACKS prior to system certification by Centers for Medicare and Medicaid Services (CMS).				
75 NCTRACKS-System Savings (1102)	(\$4,775,749)	R	(\$4,775,749)	R
Decreases funding based on anticipated savings associated with the replacement of Medicaid's claims processing system. Over \$60 million remains in the DHHS budget for this purpose.				
76 Mobile Dental Screenings and Assessments (1310)	(\$255,900)	R	(\$511,800)	R
Eliminates gaps in services created by mobile dental screenings and assessments in both public schools and long term care settings where no referral for subsequent treatment by a qualified Medicaid provider follows screening and assessment service effective 1/1/16. This represents a .4% reduction in provider payments and will leave over \$350 million in budgeted payments for dental providers.				
77 Pharmacy Dispensing Fees (1310)	(\$3,700,000)	R	(\$8,200,000)	R
Reduces funding for dispensing prescribed drugs. The Department shall use a survey of pharmacies to determine the average cost of dispensing Medicaid prescriptions and increase the weighted average dispensing fee to no more than \$12.40 effective 1/1/16 to ensure the cost of filling Medicaid prescriptions is covered based on the survey. The Department will maintain a higher dispensing fee for generic and preferred drugs than for brand and non-preferred drugs. This represents a 1.4% reduction in provider payments and leaves over \$1.5 billion for payment of prescription drugs.				

78 LME/MCO Intergovernmental Transfers

Recognizes LME/MCO intergovernmental transfer (IGT) of \$17,236,985 in both years of the biennium on a nonrecurring basis to fund a portion of the State's Medicaid spending for behavioral health services.

(\$17,236,985) NR (\$17,236,985) NR

79 Hospital Inpatient Base Rates - GME (1310, 1320, 1337)

Discontinues the Graduate Medical Education (GME) add-on to inpatient hospital base rates effective 1/1/16. The GME cost will continue to be included in all calculations under the Medicaid Reimbursement Initiative (MRI) and Hospital GAP equity and upper payment limit (UPL) supplemental plans for determining payments and related intergovernmental transfers and provider assessments. This will leave over \$850 million in Medicaid claims for inpatient hospital services and increases the budget for supplemental payment to over \$900 million for inpatient hospitals.

(\$12,748,795) R (\$31,127,204) R

80 Traumatic Brain Injury Waiver (1101, 1102, 1310)

Increases funding for a new service package for Traumatic Brain Injury under a waiver in North Carolina effective 1/1/16. Cost include both service expenditures and administrative costs.

\$1,000,000 R \$2,000,000 R

81 Immunizing Pharmacists (1102)

Provides funding for programming NTRACKS to allow pharmacists to be added as an individual provider for reimbursement for vaccinations.

\$500,000 NR

82 Medicaid Reform (1101, 1102)

Provides funding for planning and reform of the Medicaid program to shift utilization risk from the State under a capitated model.

\$5,000,000 R \$5,000,000 R

83 Reinstate Cost Settlement Per 1993 Agreement (1310, 1320)

Increases outpatient cost settlement for Vidant Medical Center to 100% of allowable costs.

\$3,400,000 R \$3,400,000 R

84 Private Duty Nursing Rates (1310)

Increases rates for private duty nursing services (PDN) by 10% effective 1/1/16.

\$1,182,615 R \$2,564,747 R

85 Medicaid Rebase (1310, 1311, 1320, 1331)

Provides funds for enrollment and utilization growth for the Medicaid program.

\$299,358,485 R \$496,326,936 R

86 State Children's Health Insurance Program Federal Rate (1101, 1102, 1310)

Reduces funding on a nonrecurring basis for SCHIP/Health Choice due to a nonrecurring increase in FMAP for 2 years.

(\$38,731,522) NR (\$54,333,825) NR

Total Legislative Changes	\$279,094,664	R	\$455,259,298	R
	(\$75,068,507)	NR	(\$71,570,810)	NR
Total Position Changes				
Revised Budget	\$3,736,574,943		\$3,916,237,272	

Health and Human Services

GENERAL FUND

	FY 15-16		FY 16-17	
Recommended Base Budget	\$41,874,629		\$41,874,629	
Legislative Changes				
(10.0) NC Health Choice				
87 SCHIP FMAP Rate				
Budgets an increase in the Federal Medical Assistance Percentage (FMAP). North Carolina's FMAP is increasing by 23 percentage points effective October 1, 2015. Overall spending is not impacted by the budgeting of these increased receipts.	(\$34,841,237)	NR	(\$47,358,284)	NR
88 Health Choice Rebase	\$5,522,950	R	\$6,230,413	R
Funds the anticipated growth in the Health Choice program. Projects enrollment growth at 2.3% for FY 2015-16 and 1.1% for FY 2016-17. Funds are also provided for increased utilization and claims. Increases total availability in FY 2015-16 by 14.2% to \$199.2 million. Increases total availability in FY 2016-17 by 16.2% to \$202.8 million.				
Total Legislative Changes	\$5,522,950	R	\$6,230,413	R
	(\$34,841,237)	NR	(\$47,358,284)	NR
Total Position Changes				
Revised Budget	\$12,556,342		\$746,758	

Health and Human Services

GENERAL FUND

	FY 15-16		FY 16-17	
Recommended Base Budget	\$8,107,457		\$8,107,457	
Legislative Changes				
(11.0) Division of Services for the Blind and Services for the Deaf and Hard of Hearing				
89 Personal Services Contract (1110)	(\$9,250)	R	(\$9,250)	R
Reduces funding for personal services contracts. \$65,750 remains available to fund contractual services.				
90 Accessible Electronic Information for the Blind (1110)	\$75,000	R	\$75,000	R
Provides funding for the National Federation for the Blind Newslines, an electronic reading service for the blind.				
Total Legislative Changes	\$65,750	R	\$65,750	R
Total Position Changes				
Revised Budget	\$8,173,207		\$8,173,207	

**Agriculture and
Natural and Economic
Resources
Section H**

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Agriculture and Consumer Services

GENERAL FUND

Recommended Base Budget	FY 15-16		FY 16-17	
	\$113,940,604		\$113,940,604	

Legislative Changes

Reserve for Salaries and Benefits

1 Compensation Reserve

Provides funds for a \$750 one-time bonus for State employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes.

\$1,079,128 NR

2 State Retirement Contributions

Increases the State's contribution for members of the Teachers' and State Employees' Retirement System to fund increased retiree medical premiums. Total General Fund appropriation across all sections in the committee report is \$11.0 million in FY 2015-16 and FY 2016-17.

\$66,121 R \$66,121 R

3 State Health Plan

Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General Fund for the 2015-17 fiscal biennium.

\$122,820 R \$122,820 R

Administration

4 Indirect Cost Receipts (1991)

Reduces requirements from fund code 1991 to match budgeted indirect cost receipts.

(\$2,772) R (\$2,772) R

Food & Drug

5 Registration Fee Receipts (1100)

Budgets additional receipts generated by increasing annual registration fees for drug manufacturers, repackagers, and distributors. Annual registration fees for drug manufacturers or repackagers are increased from \$500 to \$1,000. Annual registration fees for drug wholesalers are increased from \$350 to \$700. Fees were last increased in 1988.

(\$450,000) R (\$450,000) R

6 License Fee Receipts (1100)

Budgets additional receipts generated by increasing annual licensing fees for wholesale drug distributors. Annual licensing fees for drug manufacturers are increased from \$500 to \$1,000. Annual licensing fees for non-manufacturers are increased from \$350 to \$700. Fees were last increased in 1988.

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

	FY 15-16		FY 16-17	
7 Dairy Inspection Fee Receipts (1100)	(\$17,500)	R	(\$35,000)	R
Budgets additional receipts generated by increasing annual inspection fees for dairy retailers and wholesalers. Annual inspection fees for dairy retailers are increased from \$10 to \$50. Annual inspection fees for dairy wholesalers are increased from \$40 to \$100. Fees were last increased in 1989.				
8 Food & Drug Receipts (1070)	(\$250,000)	R	(\$250,000)	R
Budgets \$250,000 in receipts previously transferred to support the Spay and Neuter program.				
9 Food Safety Modernization Act Education (FSMA) (1100)	\$140,000	R	\$280,000	R
Provides funding to the Food & Drug Division on a recurring basis to increase awareness of federal FSMA food safety regulations.				
	4.00		4.00	
10 Operating Support (1100)	\$550,000	NR		
Provides additional nonrecurring funding to the Food and Drug Division.				
Food Distribution				
11 Diesel Fuel (1210)	\$50,000	R	\$50,000	R
Provides additional funding for the Division's increased fuel requirements. Total annual funding provided to the Division for diesel fuel is \$205,330.				
Forest Service				
12 Forestry Management Plan Fee Receipts (1510)	\$400,000	R	\$400,000	R
Reduces the budgeted fee receipts from forestry management plans.				
Plant Industry				
13 Plant Industry Fee Receipts (1180)	(\$125,000)	R	(\$125,000)	R
Budgets \$125,000 in fee receipts to more closely align to actual collections.				
Research Stations				
14 Bioenergy Development (1190)	(\$500,000)	NR		
Budgets \$500,000 in Tennessee Valley Authority (TVA) Settlement receipts to replace existing funding to the Bioenergy Development program in FY 2015-16. Total funds available for the grant program remain at \$1,278,652.				
Reserves & Transfers				
15 Duplin County Events Center (1990)	\$100,000	NR		
Provides nonrecurring funding to support the Duplin County Events Center.				

16 Tobacco Trust Fund Program Expansion (1990)

Provides nonrecurring funding to the Tobacco Trust Fund over the biennium to expand the grant program. Total funding for the program is approximately \$2.5 million in FY 2015-16 and \$3 million in FY 2016-17.

\$559,133	NR	\$1,000,000	NR
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17 Military Buffers (1990)

Provides additional recurring funds to the Agricultural Development and Farmland Preservation Trust Fund (ADFPTF) for the purpose of acquiring buffers around military bases. Total annual funding provided to the ADFPTF is \$2,608,376.

\$1,000,000	R	\$1,000,000	R
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18 FFA Foundation (1990)

Provides additional recurring funding to support the FFA program. Total annual funds supporting the program are \$100,000.

\$60,000	R	\$60,000	R
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Soil & Water Conservation

19 Agriculture Cost Share (ACS) Program (1611)

Budgets \$500,000 in TVA Settlement receipts to replace existing funding to the ACS program in FY 2015-16. Total funding provided to the program in FY 2015-16 is approximately \$6.6 million.

(\$500,000)	NR
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20 Conservation Reserve Enhancement Program (CREP) (1611)

Budgets receipts transferred from the CREP special fund (23704-2711) cash balance in FY 2015-16.

(\$531,160)	NR
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21 Operating Funds (1611)

Budgets receipts transferred from the Swine Waste special fund (23704-2730).

(\$275,399)	NR
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22 Agricultural Water Resources Assistance Program (AgWRAP) (1611)

Provides additional recurring funding to the AgWRAP program. Annual funding for the program totals \$977,500.

\$500,000	R	\$500,000	R
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Structural Pest Control & Pesticides

23 Pesticide Fee Receipts (1090)

Budgets an additional \$150,000 in receipts from pesticide registration and licensing fees to more closely align to actual collections.

(\$150,000)	R	(\$150,000)	R
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Veterinary Services

24 Animal Shelter Support Program (1130)

Provides funding to a new program to be administered by the Animal Welfare section of the Veterinary Services Division.

\$250,000	R	\$250,000	R
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25 Spay and Neuter Account (1130)

Replaces the \$250,000 transfer from the Food & Drug Division with a direct appropriation of \$250,000 in recurring funding to support the Spay and Neuter program. Total annual program funding is approximately \$460,000.

\$250,000	R	\$250,000	R
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Conference Committee Report

FY 15-16

FY 16-17

26 Cervid Farming (1130)

Provides funding to support 2 additional positions for the Captive Cervid program. Funding is contingent on the enactment of S513 or substantively similar legislation transferring the program from the Wildlife Resources Commission to the Department. If legislation is not enacted, funds will remain unalloted and will revert to the General Fund.

\$149,000	R	\$149,000	R
2.00		2.00	

Total Legislative Changes	\$1,892,669	R	\$2,015,169	R
	\$481,702	NR	\$1,000,000	NR
Total Position Changes	6.00		6.00	
Revised Budget	\$116,314,975		\$116,955,773	

DACS - Soil & Water Conservation

Budget Code: 23704

	FY 2015-16	FY 2016-17
Beginning Unreserved Fund Balance	\$15,073,553	\$13,838,617
Recommended Budget		
Requirements	\$9,605,835	\$9,605,835
Receipts	\$9,177,458	\$9,177,458
Positions	1.00	1.00

Legislative Changes

Requirements:

Conservation Reserve Enhancement Program (2711)	\$0 R	\$0 R
Transfers \$531,160 from the Conservation Reserve Enhancement Program special fund cash balance to support the Soil & Water Conservation Division operating budget in FY 2015-16.	\$531,160 NR 0.00	\$0 NR 0.00
Swine Waste (2730)	\$0 R	\$0 R
Transfers \$275,399 from the Swine Waste special fund cash balance to support the operating budget for the Soil & Water Conservation Division in FY 2015-16.	\$275,399 NR 0.00	\$0 NR 0.00
Subtotal Legislative Changes	\$0 R \$806,559 NR 0.00	\$0 R \$0 NR 0.00

Receipts:

Conservation Reserve Enhancement Program (2711)	\$0 R	\$0 R
No budget action necessary.	\$0 NR	\$0 NR
Swine Waste (2730)	\$0 R	\$0 R
No budget action necessary.	\$0 NR	\$0 NR

Conference Committee Report

	FY 2015-16	FY 2016-17
Subtotal Legislative Changes	\$0 R	\$0 R
	\$0 NR	\$0 NR
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Revised Total Requirements	\$10,412,394	\$9,605,835
Revised Total Receipts	\$9,177,458	\$9,177,458
Change in Fund Balance	(\$1,234,936)	(\$428,377)
Total Positions	1.00	1.00
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Unappropriated Balance Remaining	\$13,838,617	\$13,410,240

Labor

GENERAL FUND

	FY 15-16		FY 16-17	
Recommended Base Budget	\$15,945,674		\$15,945,674	
Legislative Changes				
Reserve for Salaries and Benefits				
27 Compensation Reserve				
Provides funds for a \$750 one-time bonus for State employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes.	\$173,124	NR		
28 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System to fund increased retiree medical premiums. Total General Fund appropriation across all sections in the committee report is \$11.0 million in FY 2015-16 and FY 2016-17.	\$12,236	R	\$12,236	R
29 State Health Plan				
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General Fund for the 2015-17 fiscal biennium.	\$19,704	R	\$19,704	R
Administration				
30 Fund Shift Positions (1120)				
Shifts funding for 2 positions to receipt-support from boiler inspection fees.	(\$130,150)	R	(\$130,150)	R
	-2.00		-2.00	
60012882 - Admin Officer (1.0) 60013046 - Health Benefits Officer (1.0)				
Occupational Safety & Health (OSH)				
31 Operating Reduction (1352)				
Reduces the operating budget for the OSH program by 4.6%, leaving \$527,065 available for operating expenses.	(\$25,229)	R	(\$25,229)	R
Total Legislative Changes	(\$123,439)	R	(\$123,439)	R
	\$173,124	NR		
Total Position Changes	-2.00		-2.00	
Revised Budget	\$15,995,359		\$15,822,235	

37 Administrative Positions (1140)

(\$3,129,370)	R	(\$3,129,370)	R
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Eliminates 24.94 vacant administrative positions and transfers 15.45 filled administrative positions due to the transfer of the Zoo, Aquariums, Museum of Natural Sciences, the Parks System, Clean Water Management Trust Fund and the Natural Heritage Program. Positions may be reestablished in the newly renamed Department of Natural and Cultural Resources (DNCR). A related provision in the Appropriations Act directs the Department of Environment and Natural Resources to convert any receipt-supported positions to General Fund support prior to transfer to DNCR.

-40.39

-40.39

Filled Positions:

- 60036012 - Accountant (1.0)
- 60036004 - Accounting Technician (1.0)
- 60036013 - Accounting Technician (1.0)
- 60036014 - Accounting Technician (1.0)
- 60036017 - Accounting Technician (1.0)
- 60036019 - Accounting Technician (1.0)
- 60035954 - Administrative Assistant III (1.0)
- 60035979 - Artist Illustrator (1.0)
- 60035971 - Attorney II (1.0)
- 60035991 - EEO Administrator (1.0)
- 65010186 - Engineer (1.0)
- 60035950 - GS 5th Floor Receptionist (1.0)
- 60035949 - HR Representative (1.0)
- 60032527 - Info Communication Specialist (0.45)
- 60036042 - Purchaser (1.0)
- 60035942 - Special Assistant (1.0)

Vacant Positions:

- 60032766 - Accountant (1.0)
- 60036006 - Accounting Technician (1.0)
- 60035955 - Administrative Operations Director (1.0)
- 60034828 - Agency Legal Specialist II (1.0)
- 60036023 - Auditor (1.0)
- 60036031 - Budget Analyst (1.0)
- 60036034 - Budget Analyst (1.0)
- 60036029 - Budget Manager (1.0)
- 60036060 - Business and Technology Applic Specl (1.0)
- 60036063 - Business and Technology Applic Specl (1.0)
- 60036186 - Chief Deputy II (1.0)
- 60035958 - Environmental Program Supervisor II (1.0)
- 60035318 - IT Security Specialist (1.0)
- 60035953 - Ombudsman (0.54)
- 60035496 - Office Assistant (0.40)
- 60035984 - Personnel Analyst (1.0)
- 60035996 - Personnel Assistant IV (1.0)
- 60035952 - Policy Development Analyst (1.0)
- 60035976 - Policy Development Specialist (1.0)
- 60036039 - Purchaser (1.0)
- 60036041 - Purchaser (1.0)
- 60035829 - Staff Development Coordinator (1.0)
- 60034553 - Staff Development Specialist (1.0)

- 60034575 - Technology Support Analyst (1.0)
- 60035501 - Technology Support Analyst (1.0)
- 60035986 - W/A Recruitment Analyst (1.0)

Aquariums

38 Aquariums Admission Receipts (1355)

(\$356,224) R (\$356,224) R

Budgets additional admission receipts transferred from the North Carolina Aquariums Fund (24300-2865) to support the operations of the State's 3 aquariums. After this change, the aquariums' total General Fund budget of \$9.65 million will be supported by \$2.97 million in admission fee receipts and \$6.68 million in net General Fund appropriations.

39 Aquariums Base Budget (1355)

(\$6,677,619) R (\$6,677,619) R

Eliminates the base budget for the aquariums from the Department of Environment and Natural Resources (DENR) due to the transfer of this function to the newly renamed Department of Natural and Cultural Resources (DNCR), effective July 1, 2015. A related provision in the Appropriations Act directs DNCR to transfer funds to DENR to cover expenses incurred prior to the effective date of the Act and any outstanding liabilities for the aquariums.

-118.50 -118.50

Coastal Management

40 Lease Support (1625)

(\$30,523) R (\$30,523) R

Replaces State funds for lease expenses with federal funds available within the Division due to a reduction in force in FY 2013-14.

Energy, Mineral and Land Resources

41 Federal Grant Receipts (1749)

(\$37,483) R (\$37,483) R

Budgets additional federal grant funds to support one-third of the Energy Section Chief's salary and benefits (65020508).

-0.33 -0.33

42 University Energy Centers (1749)

(\$417,908) NR

Budgets Petroleum Violation Escrow (PVE) settlement funds transferred from budget code 64327 to partially offset support of the university energy centers at North Carolina State University, North Carolina Agricultural and Technical State University and Appalachian State University on a nonrecurring basis.

43 Position Reduction (1730)

(\$51,027) R (\$68,036) R

Eliminates a filled Rules Review Coordinator position (65019618), which was created to coordinate the development of shale gas rules that went into effect March 16, 2015.

-1.00 -1.00

44 Cash Balances (1740 & 1735)

Budgets the following special fund cash balances transferred to the Division's General Fund budget on a one-time basis. A related provision in the Appropriations Act also closes these special funds and directs the Division to budget fee receipts in the General Fund.

Mining Fees	\$203,073		
Mining Interest	\$79,487		
Storm Water Permits	\$61,000		

45 Dam Safety Program (1740)

Provides funds to hire contract or temporary positions to manage and conduct the initial review and subsequent annual reviews of Emergency Action Plans and associated dam safety inspections and technical assistance for the 1,559 intermediate and high hazard dams as required by Part 5 of S.L. 2014-122.

	\$250,000	NR	\$250,000	NR
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46 Shale Gas (1749)

Provides nonrecurring funding to drill new vertical geological test holes in shale-bearing basins as well as any relevant analyses needed to examine the basins, cores, boreholes, or other geological analyses required to evaluate natural gas potential. Funding may also be used to analyze pre-existing cores.

	\$500,000	NR		
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Environmental Assistance and Customer Service

47 Operating Reduction (1130 & 1615)

Reduces the rent line item in the Department's regional offices, leaving over \$2.4 million for this expense. Also reduces various line items in the Office of Environmental Assistance and Customer Service by 4%, leaving \$446,505 in operating support.

	(\$35,077)	R	(\$35,077)	R
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Land and Water Stewardship

48 Clean Water Management Trust Fund (CWMTF) Base Budget (1115)

Eliminates the base budget for the CWMTF from the Department of Environment and Natural Resources (DENR) due to the transfer of this function to the newly renamed Department of Natural and Cultural Resources (DNCR), effective July 1, 2015. A related provision in the Appropriations Act directs DNCR to transfer funds to DENR to cover expenses incurred prior to the effective date of the Act and any outstanding liabilities for CWMTF.

	(\$11,657,530)	R	(\$11,657,530)	R
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49 Operating Funds (1115)

Separates funding for administrative expenses from CWMTF's annual appropriation. CWMTF is also transferred to the newly renamed Department of Natural and Cultural Resources (DNCR), effective July 1, 2015. A related provision in the Appropriations Act directs DNCR to transfer funds to the Department of Environment and Natural Resources to cover expenses incurred prior to the effective date of the Act and any outstanding liabilities for CWMTF.

	(\$1,127,452)	R	(\$1,127,452)	R
		-9.60		-9.60

50 Natural Heritage Program Operating (1115)

Separates funding for the Natural Heritage Program (NHP) from the Clean Water Management Trust Fund budget. NHP is also transferred to the newly renamed Department of Natural and Cultural Resources (DNCR), effective July 1, 2015. A related provision in the Appropriations Act directs DNCR to transfer funds to the Department of Environment and Natural Resources to cover expenses incurred prior to the effective date of the Act and any outstanding liabilities for NHP.

(\$764,726)	R	(\$764,726)	R
-9.10		-9.10	

51 Salary Reserve (1115)

Reduces salary reserve in the Office of Land and Water Stewardship, leaving approximately \$1.76 million in the personnel line items.

(\$99,821)	R	(\$99,821)	R
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Marine Fisheries

52 Shellfish Rehabilitation (1320)

Provides additional funds for cultch planting due to an increase in the price of oyster shells. Total General Fund support doubles in FY 2015-16 from \$300,000 to \$600,000 and increases again in FY 2016-17 to \$900,000.

\$50,000	R	\$600,000	R
\$250,000	NR		

53 Oyster Sanctuaries (1320)

Provides funding to support a network of oyster sanctuaries in FY 2016-17. Total General Fund support for this purpose is \$483,969.

\$200,000	R
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54 Oyster Research and Development (1320)

Provides funds to contract with the University of North Carolina Wilmington to develop oyster brood stock to provide seed for aquaculture.

\$450,000	R	\$500,000	R
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Museum of Natural Sciences

55 Museum Base Budget (1360)

Eliminates the base budget for the Museum from the Department of Environment and Natural Resources (DENR) due to the transfer of this function to the newly renamed Department of Natural and Cultural Resources (DNCR), effective July 1, 2015. The transfer includes 3.12 receipt-supported positions. A related provision in the Appropriations Act directs DNCR to transfer funds to DENR to cover expenses incurred prior to the effective date of the Act and any outstanding liabilities for the Museum.

(\$11,842,973)	R	(\$11,842,973)	R
-148.88		-148.88	

Parks and Recreation

56 Parks Base Budget (1280)

	(\$42,807,443)	R	(\$42,807,443)	R
	-463.50		-463.50	

Eliminates the base budget for the Parks System from the Department of Environment and Natural Resources (DENR) due to the transfer of this function to the newly renamed Department Natural and Cultural Resources (DNCR), effective July 1, 2015. The transfer includes 17 receipt-supported positions. A related provision in the Appropriations Act directs DNCR to transfer funds to DENR to cover expenses incurred prior to the effective date of the Act and any outstanding liabilities for the Parks System.

Waste Management

57 Position Reduction (1760)

	(\$282,259)	R	(\$282,259)	R
	-1.00		-1.00	

Eliminates a filled Environmental Specialist position (60034599) in the Solid Waste Section. Also reduces the legal services line item by \$144,042 leaving \$458,612 for these services and the communications and data processing line item by \$70,385 leaving \$292,613 for this purpose.

58 Cash Balance (1671)

	(\$43,595)	NR		
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Budgets the cash balance in the UST Soil Permitting special fund (24300-2391) in the Division's General Fund on a one-time basis. A provision in the Appropriations Act directs the Division to budget fee receipts directly in the General Fund.

59 Noncommercial Fund Backlog (1990)

	\$2,369,428	NR		
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Provides nonrecurring funds to eliminate the backlog of claims against the Noncommercial Leaking Petroleum Underground Storage Tank Cleanup Fund through June 30, 2015.

60 Noncommercial Fund Elimination (1990)

	(\$3,417,105)	R	(\$3,417,105)	R
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Eliminates funding for the Noncommercial Leaking Petroleum Underground Storage Tank Cleanup Fund for releases reported after October 1, 2015.

61 Noncommercial Fund Administrative Transfer (1671)

Eliminates the transfer of \$1,641,785 from the Noncommercial Leaking Petroleum Underground Storage Tank Cleanup Fund to the Division's General Fund to support the Underground Storage Tank Program.

62 Leaking Underground Storage Tank Program (1671)

	\$1,000,000	R	\$1,000,000	R
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Provides \$1 million in funding to partially offset the loss of \$1.6 million previously transferred from the Noncommercial Fund. Funds shall be used to support expenses associated with the Underground Storage Tank Program.

Water Infrastructure

63 Operating Reduction (1460)

	(\$1,592)	R	(\$1,592)	R
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Reduces funds for cellular phone service by 29%, leaving \$3,908 in the Division for this service.

FY 15-16

FY 16-17

64 Drinking Water State Revolving Funds (DWSRF) (1460)

Reduces funding for the State match for the DWSRF to more closely align with actual requirements; \$4.5 million in State funds remain to fully match the federal capitalization grant.

(\$478,825) R (\$478,825) R

65 State Match for Clean Water State Revolving Fund (CWSRF) (1460)

Provides additional funds for the State match for the CWSRF to more closely align with actual needs of the program. Total State funding is \$5.1 million.

\$100,000 R \$100,000 R

66 State Grant Program Expansion (1460)

Provides additional funds for the State water and wastewater infrastructure grants benefitting rural, economically distressed areas. Total State grant funding available over the biennium is \$27.4 million.

\$5,000,000 R \$5,000,000 R
\$2,400,000 NR \$5,000,000 NR

Water Resources

67 Dredging Funds (1990)

Provides additional funds for the Shallow Draft Navigation Channel Dredging and Lake Maintenance Fund. Total funding available in each year of the biennium is approximately \$19.6 million.

\$1,579,268 R \$2,130,357 R

Zoo

68 Zoo Receipts (1305)

Budgets additional receipts to support the operations of the NC Zoo.

(\$50,000) R (\$100,000) R

69 Zoo Base Budget (1305)

Eliminates the base budget for the Zoo from the Department of Environment and Natural Resources (DENR) due to the transfer of this function to the newly renamed Department of Natural and Cultural Resources (DNCR), effective July 1, 2015. The transfer includes 49.9 receipt-supported positions. A related provision in the Appropriations Act directs DNCR to transfer funds to DENR to cover expenses incurred prior to the effective date of the Act and any outstanding liabilities for the Zoo.

(\$10,583,824) R (\$10,533,824) R
-213.35 -213.35

Total Legislative Changes

(\$86,434,020) R (\$85,099,940) R
\$5,461,073 NR \$5,250,000 NR

Total Position Changes

-1007.65 -1007.65

Revised Budget

\$81,306,602 \$82,429,609

DENR - Special

Budget Code: 24300

	FY 2015-16	FY 2016-17
Beginning Unreserved Fund Balance	\$22,269,945	\$32,404,045
Recommended Budget		
Requirements	\$91,999,421	\$91,999,421
Receipts	\$82,443,138	\$82,443,138
Positions	273.12	273.12

Legislative Changes

Requirements:

Shallow Draft Dredging Fund (2182)	\$19,778,577		R	\$19,686,615		R
Increases the motor fuel tax transfer from the Highway Fund from 1/6 of 1% to 1%, which brings total motor fuel tax revenue to \$13.1 million in FY 2015-16 and \$12.46 million in FY 2016-17. This item also budgets \$5.1 million in boat fees transferred from the Wildlife Resources Commission and a General Fund transfer of \$1.6 million in FY 2015-16 and \$2.1 million in FY 2016-17. Total State funding is \$19.78 million in FY 2015-16 and \$19.69 million in FY 2016-17.	\$0		NR	\$0		NR
	0.00			0.00		
Soil Remediation Fees (2391)	\$0		R	\$0		R
Transfers the cash balance in the Soil Remediation Fees special fund to the Division of Waste Management's General Fund budget. A provision in the Appropriations Act eliminates the special fund and directs the Department to budget the requirements and receipts in the General Fund.	\$43,595		NR	\$0		NR
	0.00			0.00		
Mining Interest Cash Balance (2610)	\$0		R	\$0		R
Transfers the cash balance in the Mining Interest special fund to the Division of Energy, Mineral and Land Resource's General Fund budget.	\$79,487		NR	\$0		NR
	0.00			0.00		
Mining Interest (2610)	(\$38,431)		R	(\$38,431)		R
Eliminates the budget for the Mining Interest special fund. A provision in the Appropriations Act eliminates this special fund and directs the Department to budget the requirements and receipts in the General Fund.	\$0		NR	\$0		NR
	0.00			0.00		

Conference Committee Report

	FY 2015-16		FY 2016-17
Mining Fees Cash Balance (2745)	\$0	R	\$0 R
Transfers the cash balance in the Mining Fees special fund to the Division of Energy, Mineral and Land Resource's General Fund.	\$203,073	NR	\$0 NR
	0.00		0.00
Mining Fees (2745)	(\$188,480)	R	(\$188,480) R
Eliminates the budget for the Mining Fees special fund. A provision in the Appropriations Act eliminates this special fund and directs the Department to budget the requirements and receipts in the General Fund.	\$0	NR	\$0 NR
	0.00		0.00
Stormwater Cash Balance (2750)	\$0	R	\$0 R
Transfers the cash balance in the Stormwater special fund to the Division of Energy, Mineral and Land Resource's General Fund.	\$61,000	NR	\$0 NR
	0.00		0.00
Stormwater (2750)	(\$822,113)	R	(\$822,113) R
Eliminates the budget for the Stormwater special fund. A provision in the Appropriations Act eliminates this special fund and directs the Department to budget the requirements and receipts in the General Fund.	\$0	NR	\$0 NR
	0.00		0.00
Inspection and Maintenance (I&M) Fees (2338)	(\$3,588,862)	R	(\$3,588,862) R
Eliminates the recurring I&M fee transfer and budgets a nonrecurring transfer of I&M fee proceeds in FY 2015-16. Program is also subject to a Continuation Review.	\$3,082,888	NR	\$0 NR
	0.00		0.00
Mercury Pollution Prevention Account (2119)	(\$681,887)	R	(\$681,887) R
Eliminates the recurring title fee transfer and budgets a nonrecurring transfer of title fee proceeds in FY 2015-16. Program is also subject to a Continuation Review.	\$681,887	NR	\$0 NR
	0.00		0.00
Solid Waste Permitting Fees (2394)	(\$260,359)	R	(\$260,359) R
Reduces the operating budget, including the personnel line items, by 20% due to the implementation of a new fee schedule for life-of-site permits for sanitary landfills and transfer stations.	\$0	NR	\$0 NR
	0.00		0.00
Subtotal Legislative Changes	\$14,198,445	R	\$14,106,483 R
	\$4,151,930	NR	\$0 NR
	0.00		0.00

Conference Committee Report

	FY 2015-16		FY 2016-17
Receipts:			
Shallow Draft Dredging Fund (2182)	\$19,778,577	R	\$19,686,615 R
Increases the motor fuel tax transfer from the Highway Fund from 1/6 of 1% to 1%, which brings total motor fuel tax revenue to \$13.1 million in FY 2015-16 and \$12.46 million in FY 2016-17. This item also budgets \$5.1 million in boat fees transferred from the Wildlife Resources Commission and a General Fund transfer of \$1.6 million in FY 2015-16 and \$2.1 million in FY 2016-17. Total State funding is \$19.78 million in FY 2015-16 and \$19.69 million in FY 2016-17.	\$0	NR	\$0 NR
Soil Remediation Fees (2391)	\$0	R	\$0 R
Base budget contains no receipts. No budget action necessary.	\$0	NR	\$0 NR
Mining Interest Cash Balance (2610)	\$0	R	\$0 R
No budget action necessary.	\$0	NR	\$0 NR
Mining Interest (2610)	(\$38,431)	R	(\$38,431) R
Removes the budget for mining interest receipts in the special fund. Receipts will be budgeted in the General Fund.	\$0	NR	\$0 NR
Mining Fees Cash Balance (2745)	\$0	R	\$0 R
No budget action necessary.	\$0	NR	\$0 NR
Mining Fees (2745)	(\$300,730)	R	(\$300,730) R
Removes the budget for mining fees receipts in the special fund. Receipts will be budgeted in the General Fund.	\$0	NR	\$0 NR
Stormwater Cash Balance (2750)	\$0	R	\$0 R
No budget action necessary.	\$0	NR	\$0 NR
Stormwater (2750)	(\$822,113)	R	(\$822,113) R
Removes the budget for stormwater fee receipts in the special fund. Receipts will be budgeted in the General Fund.	\$0	NR	\$0 NR
Inspection and Maintenance (I&M) Fees (2338)	(\$3,082,888)	R	(\$3,082,888) R
Eliminates the recurring motor fuels tax transfer and budgets a nonrecurring transfer of motor fuel tax proceeds in FY 2015-16. Program is also subject to a Continuation Review.	\$3,082,888	NR	\$0 NR

Conference Committee Report

	FY 2015-16		FY 2016-17	
Mercury Pollution Prevention Account (2119)	(\$681,887)	R	(\$681,887)	R
Eliminates the recurring title fee transfer and budgets a nonrecurring transfer of title fee proceeds in FY 2015-16. Program is also subject to a Continuation Review.	\$681,887	NR	\$0	NR
Solid Waste Permitting Fees (2394)	\$403,076	R	\$403,076	R
Increases the receipt line item for solid waste permitting fees to correctly budget the estimated revenue anticipated from the implementation of a new fee schedule for life-of-site permits for sanitary landfills and transfer stations.	\$0	NR	\$0	NR
Subtotal Legislative Changes	\$15,255,604	R	\$15,163,642	R
	\$3,764,775	NR	\$0	NR
<hr/>				
Revised Total Requirements	\$110,349,796		\$106,105,904	
Revised Total Receipts	\$120,483,896		\$112,770,422	
Change in Fund Balance	\$10,134,100		\$6,664,518	
Total Positions	273.12		273.12	
<hr/>				
Unappropriated Balance Remaining	\$32,404,045		\$39,068,563	

Reserve for Air Quality - Fuel Tax

Budget Code: 24301

	FY 2015-16	FY 2016-17
Beginning Unreserved Fund Balance	\$469,246	\$299,291
Recommended Budget		
Requirements	\$9,549,205	\$9,549,205
Receipts	\$9,379,250	\$9,379,250
Positions	93.70	93.70

Legislative Changes

Requirements:

Water and Air Quality Account (Fuel Tax) (2334)	(\$7,299,805) R	(\$7,299,805) R
Eliminates the recurring motor fuels tax transfer and budgets a nonrecurring transfer of motor fuel tax proceeds in FY 2015-16. Program is also subject to a Continuation Review.	\$7,299,805 NR	\$0 NR
	0.00	0.00
Subtotal Legislative Changes	(\$7,299,805) R	(\$7,299,805) R
	\$7,299,805 NR	\$0 NR
	0.00	0.00

Receipts:

Water and Air Quality Account (Fuel Tax) (2334)	(\$7,299,805) R	(\$7,299,805) R
Eliminates the recurring motor fuels tax transfer and budgets a nonrecurring transfer of motor fuel tax proceeds in FY 2015-16. Program is also subject to a Continuation Review.	\$7,299,805 NR	\$0 NR
Subtotal Legislative Changes	(\$7,299,805) R	(\$7,299,805) R
	\$7,299,805 NR	\$0 NR

Conference Committee Report

	FY 2015-16	FY 2016-17
Revised Total Requirements	\$9,549,205	\$2,249,400
Revised Total Receipts	\$9,379,250	\$2,079,445
Change in Fund Balance	(\$169,955)	(\$169,955)
Total Positions	93.70	93.70
Unappropriated Balance Remaining	\$299,291	\$129,336

DENR - Commercial LUST Cleanup

Budget Code: 64305

	FY 2015-16	FY 2016-17
Beginning Unreserved Fund Balance	\$83,787,906	\$52,984,756
Recommended Budget		
Requirements	\$63,762,710	\$63,762,710
Receipts	\$32,959,560	\$32,959,560
Positions	11.20	11.20

Legislative Changes

Requirements:

Noncommercial Fund (6371)	(\$5,608,732) R	(\$5,608,732) R
Budgets a nonrecurring transfer of \$2,369,428 from the General Fund to eliminate the claims backlog as of June 30, 2015. Eliminates the recurring motor fuels tax transfer of \$2,191,627 and budgets a nonrecurring transfer of \$2,507,106 in motor fuel tax proceeds in FY 2015-16. Also, eliminates the recurring \$3,417,105 transfer from the General Fund on a permanent basis. Lastly, eliminates the transfer of \$1,641,785 from the Noncommercial Fund to the General Fund to support the underground storage tank program starting in FY 2016-17.	\$4,876,537 NR	\$0 NR
	0.00	0.00
Commercial Fund Tax Transfer (6370)	(\$12,722,432) R	(\$12,722,432) R
Eliminates the recurring motor fuels tax transfer and budgets a nonrecurring transfer of motor fuel tax proceeds in FY 2015-16. Program is also subject to a Continuation Review.	\$12,722,432 NR	\$0 NR
	0.00	0.00
Subtotal Legislative Changes	(\$18,331,164) R	(\$18,331,164) R
	\$17,598,969 NR	\$0 NR
	0.00	0.00

Receipts:

Conference Committee Report

	FY 2015-16		FY 2016-17	
Noncommercial Fund (6371)	(\$5,608,732)	R	(\$5,608,732)	R
Budgets a nonrecurring transfer of \$2,369,428 from the General Fund to eliminate the claims backlog as of June 30, 2015. Eliminates the recurring motor fuels tax transfer of \$2,191,627 and budgets a nonrecurring transfer of \$2,507,106 in motor fuel tax proceeds in FY 2015-16. Also, eliminates the recurring \$3,417,105 transfer from the General Fund on a permanent basis. Lastly, eliminates the transfer of \$1,641,785 from the Noncommercial Fund to the General Fund to support the underground storage tank program starting in FY 2016-17.	\$4,876,537	NR	\$0	NR
Commercial Fund (6370)	(\$12,722,432)	R	(\$12,722,432)	R
Eliminates the recurring motor fuels tax transfer and budgets a nonrecurring transfer of motor fuel tax proceeds in FY 2015-16. Program is also subject to a Continuation Review.	\$12,722,432	NR	\$0	NR
Subtotal Legislative Changes	(\$18,331,164)	R	(\$18,331,164)	R
	\$17,598,969	NR	\$0	NR
<hr/>				
Revised Total Requirements	\$63,030,515		\$45,431,546	
Revised Total Receipts	\$32,227,365		\$14,628,396	
Change in Fund Balance	(\$30,803,150)		(\$30,803,150)	
Total Positions	11.20		11.20	
<hr/>				
Unappropriated Balance Remaining	\$52,984,756		\$22,181,606	

DENR - Energy Stripper Well

Budget Code: 64327

	FY 2015-16		FY 2016-17	
Beginning Unreserved Fund Balance	\$882,675		\$464,767	
Recommended Budget				
Requirements	\$0		\$0	
Receipts	\$0		\$0	
Positions	0.00		0.00	
<hr/>				
Legislative Changes				
Requirements:				
Petroleum Violation Escrow Cash Balance (64347)	\$0	R	\$0	R
Transfers the cash balance in the Petroleum Violation Escrow trust fund to the Division of Energy, Mineral and Land Resources to offset the General Fund support of the university energy centers.	\$417,908	NR	\$0	NR
	0.00		0.00	
Subtotal Legislative Changes	\$0	R	\$0	R
	\$417,908	NR	\$0	NR
	0.00		0.00	

Receipts:				
Petroleum Violation Escrow Cash Balance (64347)	\$0	R	\$0	R
Base budget contains no receipts. No budget action necessary.	\$0	NR	\$0	NR
Subtotal Legislative Changes	\$0	R	\$0	R
	\$0	NR	\$0	NR

Conference Committee Report

	FY 2015-16	FY 2016-17
Revised Total Requirements	\$417,908	\$0
Revised Total Receipts	\$0	\$0
Change in Fund Balance	(\$417,908)	\$0
Total Positions	0.00	0.00
Unappropriated Balance Remaining	\$464,767	\$464,767

Wildlife Resources Commission

GENERAL FUND

Recommended Base Budget	FY 15-16		FY 16-17	
	\$13,317,641		\$13,317,641	

Legislative Changes

Reserve for Salaries and Benefits

70 Compensation Reserve

Provides funds for a \$750 one-time bonus for State employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes.

\$130,127 NR

71 State Retirement Contributions

Increases the State's contribution for members of the Teachers' and State Employees' Retirement System to fund increased retiree medical premiums. Total General Fund appropriation across all sections in the committee report is \$11.0 million in FY 2015-16 and FY 2016-17.

\$8,686 R \$8,686 R

72 State Health Plan

Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General Fund for the 2015-17 fiscal biennium.

\$14,810 R \$14,810 R

Wildlife Resources Commission

73 Agency-wide Reduction

Reduces funding to the Wildlife Resources Commission by 23% due to an increase in budgeted receipts, leaving approximately \$70 million in the budget from all sources.

(\$2,090,990) R (\$2,090,990) R

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

74 Operating Reduction (1135 & 1166)

Reduces printing and postage line items related to the production of the Wildlife magazine and budgets timber receipts to support a portion of the following Forester positions:

(\$226,651) R (\$226,651) R

-3.75 -3.75

- 60034105 - Forester (0.50)
- 60034121 - Forester (0.50)
- 60034156 - Forester (0.25)
- 60033832 - Forester (0.25)
- 60033837 - Forester (0.25)
- 60033851 - Forester (0.25)
- 60033867 - Forester (0.25)
- 60033876 - Forester (0.25)
- 60089496 - Forester (0.25)
- 60033847 - Forester (0.25)
- 60033848 - Forester (0.25)
- 60033849 - Forester (0.25)
- 60033574 - Forester (0.25)

Conference Committee Report

FY 15-16

FY 16-17

Total Legislative Changes	(\$2,294,145) R	(\$2,294,145) R
	(\$869,873) NR	(\$1,000,000) NR
Total Position Changes	-3.75	-3.75
Revised Budget	\$10,153,623	\$10,023,496

Motor Boat Interest Bearing

Budget Code: 24352

	FY 2015-16	FY 2016-17
Beginning Unreserved Fund Balance	\$1,349,466	\$1,349,466
Recommended Budget		
Requirements	\$16,916,753	\$16,916,753
Receipts	\$16,916,753	\$16,916,753
Positions	0.00	0.00

Legislative Changes

Requirements:

Boating Safety Account (2371)	(\$2,318,667) R	(\$2,318,667) R
Reduces the motor fuel tax transfer by \$179,358 in FY 2015-16 and \$252,409 in FY 2016-17 based on distributional changes between the Highway Fund and Highway Trust Fund. Program is also subject to a Continuation Review so the recurring motor fuels tax transfer is eliminated and replaced with a nonrecurring transfer of motor fuel tax proceeds in FY 2015-16.	\$2,139,309 NR	\$0 NR
	0.00	0.00
Subtotal Legislative Changes	(\$2,318,667) R	(\$2,318,667) R
	\$2,139,309 NR	\$0 NR
	0.00	0.00

Receipts:

Boating Safety Account (2371)	(\$2,318,667) R	(\$2,318,667) R
Reduces the motor fuel tax transfer by \$179,358 in FY 2015-16 and \$252,409 in FY 2016-17 based on distributional changes between the Highway Fund and Highway Trust Fund. Program is also subject to a Continuation Review so the recurring motor fuels tax transfer is eliminated and replaced with a nonrecurring transfer of motor fuel tax proceeds in FY 2015-16.	\$2,139,309 NR	\$0 NR
Subtotal Legislative Changes	(\$2,318,667) R	(\$2,318,667) R
	\$2,139,309 NR	\$0 NR

Conference Committee Report

	FY 2015-16	FY 2016-17
Revised Total Requirements	\$16,737,395	\$14,598,086
Revised Total Receipts	\$16,737,395	\$14,598,086
Change in Fund Balance	\$0	\$0
Total Positions	0.00	0.00
Unappropriated Balance Remaining	\$1,349,466	\$1,349,466

Commerce Finance Center

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

\$6,869,254 R \$7,500,000 R

Provides funds for JMAC payments to Bridgestone, Domtar, Evergreen, and Goodyear.

84 Operating Costs (1581)

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

Provides funds for administration of the One North Carolina Fund and other economic development incentive programs. Commerce Finance Center operating budget totals approximately \$865,000, of which approximately \$221,000 is provided by receipts.

Economic Dev Partnership of NC (EDPNC)

85 EDPNC Contract (1114)

Eliminates \$982,379 in special registration plate fee receipts that have historically been transferred from the Department of Transportation for use in out-of-state print and other media advertising for promotion of travel and industrial development per G.S. 20-79.7(c)(3)a.

86 EDPNC Contract (1114)

(\$525,060) R (\$525,060) R

Reduces budget for EDPNC contract by 3%; remaining funds total \$17 million.

87 Tourism Advertising (1114)

\$1,000,000 R \$2,000,000 R

Provides additional funding to the EDPNC for tourism advertising. In accordance with G.S. 143B-431.01.(b), these funds are restricted for a research-based, comprehensive marketing program directed toward consumers in key markets most likely to travel to North Carolina and not for ancillary activities, such as Statewide branding and business development marketing.

Graphics

88 Comprehensive Branding (1520)

(\$1,500,000) R (\$1,500,000) R

Eliminates recurring funding provided for development of a comprehensive branding strategy to promote North Carolina.

89 Operating Funds (1520)

(\$142,834) R (\$142,834) R

Removes excess funds remaining post EDPNC contract implementation; remaining funds total nearly \$158,000 to support partial positions.

90 Graphics Positions (1520)

(\$83,406) R (\$83,406) R

Reduces funding for 2 Artist Illustrator II positions (60081262 & 60081263) by 75% and 1 temporary position by 100%. Positions will be supported by receipts.

-1.50 -1.50

Industrial Commission

91 Over-realized Receipts (1831) (\$375,000) R (\$375,000) R
 Reduces State funding due to a projected net increase in receipts.

92 Position Elimination (1831) (\$209,258) R (\$311,913) R
 Eliminates 4 positions in FY 2015-16, 2 of which are receipt-supported, and an additional 2 positions in FY 2016-17, 1 of which is receipt-supported; reduces General Fund appropriation in a like amount. -2.00 -2.93

FY 2015-16:
 60080703 - Program Assistant V (1.0)
 65020435 - Investigator (1.0)
 60080724 - Safety Consultant I
 60080736 - Workers' Compensation Nurse

FY 2016-17:
 60080628 - Deputy Commissioner (0.93)
 60080679 - Program Assistant V

93 Positions (1831) (\$167,129) R (\$213,269) R
 Shifts 4 positions to receipt-support in FY 2015-16 and an additional 1 position in FY 2016-17; reduces General Fund appropriation in a like amount. -4.00 -5.00

FY 2015-16:
 60080651 - Program Assistant V (1.0)
 60080752 - Claims Examiner (1.0)
 60080757 - Processing Assistant IV (1.0)
 60080760 - Processing Assistant IV (1.0)

FY 2016-17:
 60080710 - Program Assistant V (1.0)

94 Information Technology Positions (1831) \$297,411 R \$297,411 R
 Provides funding for 3 Information Technology positions that will support ongoing administration of the Consolidated Case Management System, including: 3.00 3.00

Operations & Systems Specialist (1.0)
 Bus & Tech App Analyst (1.0)
 Technology Support Specialist (1.0)

95 Insurance Regulatory Surcharge Receipts (1831)
 Directs the Commission to budget \$2.4 million for Insurance Regulatory Surcharge receipts.

Labor and Economic Analysis

96 Position Elimination (1130)

Eliminates 5 filled positions; 3.9 of which are receipt-supported:

	(\$52,903)	R		(\$70,537)	R
	-1.10			-1.10	

- 60079961 - Employment Security Research Analyst III (0.3)
- 60080019 - Manpower Programs Coordinator
- 60080021 - Manpower Programs Coordinator
- 60079990 - Labor Market Analyst (0.4)
- 60080024 - Labor Market Analyst (0.4)

Office of Science and Technology

97 One NC Small Business Fund (1113)

Provides nonrecurring funds to offer early-stage technology development grants for small businesses that receive federal awards from the Small Business Innovative Research program or Small Business Technology Transfer program. Total biennium funding is \$5.25 million.

	\$2,250,000	NR		\$3,000,000	NR
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Rural Economic Development

98 Underserved & Limited Resource Communities Grants (ULRC) (1534)

Eliminates the ULRC program, a competitive grant program for underserved and low resource communities that was active for 1 year in FY 2014-15.

	(\$1,250,000)	R		(\$1,250,000)	R
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99 Grant Program Expansion (1534)

Provides additional funding for Rural Economic Development Division grant programs. Total funding in FY 2015-16 is \$15.6 million and FY 2016-17 is \$15.7 million.

	\$2,205,000	NR		\$2,251,799	NR
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100 Main Street Solutions Fund (1620)

Provides nonrecurring funds to offer reimbursable matching grants to local governments to assist planning agencies and small businesses with efforts to revitalize downtown areas. Total FY 2015-16 funding is \$2 million.

	\$2,000,000	NR			
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Travel Inquiry

101 Visitor Services Director (1551)

Budgets federal indirect cost receipts for one-half of a filled position (60080871).

	(\$52,358)	R		(\$52,358)	R
	-0.50			-0.50	

Workforce Solutions

102 Apprenticeship Program (1912)

Eliminates Apprenticeship fees (G.S. 94-12) and reduces budgeted receipts by \$300,000.

Total Legislative Changes	\$3,618,058	R	\$5,082,375	R
	\$6,607,962	NR	\$5,251,799	NR
Total Position Changes		-6.60		-8.53
Revised Budget	\$57,487,974		\$57,596,128	

Commerce Employment Security

Budget Code: 24650

	FY 2015-16	FY 2016-17
Beginning Unreserved Fund Balance	\$11,845,640	\$11,845,640
Recommended Budget		
Requirements	\$168,075,000	\$168,075,000
Receipts	\$168,075,000	\$168,075,000
Positions	1,282.40	1,282.40

Legislative Changes

Requirements:

USDOL Grant (2000)	\$0	R	\$0	R
Directs the Division of Employment Security to budget requirements and receipts for US Department of Labor Unemployment Compensation Modernization incentive payment. Funds shall be used to design and build an integrated unemployment benefit and tax accounting system; remaining funds shall be used for the operation of the unemployment insurance program.	\$205,063,552	NR	\$0	NR
	0.00		0.00	
Subtotal Legislative Changes	\$0	R	\$0	R
	\$205,063,552	NR	\$0	NR
	0.00		0.00	

Receipts:

USDOL Grant (2000)	\$0	R	\$0	R
Directs the Division of Employment Security to budget requirements and receipts for US Department of Labor Unemployment Compensation Modernization incentive payment. Funds shall be used to design and build an integrated unemployment benefit and tax accounting system; remaining funds shall be used for the operation of the unemployment insurance program.	\$205,063,552	NR	\$0	NR

Conference Committee Report

	FY 2015-16	FY 2016-17
Subtotal Legislative Changes	\$0 R	\$0 R
	\$205,063,552 NR	\$0 NR
<hr/>		
Revised Total Requirements	\$373,138,552	\$168,075,000
Revised Total Receipts	\$373,138,552	\$168,075,000
Change in Fund Balance	\$0	\$0
Total Positions	1,282.40	1,282.40
<hr/>		
Unappropriated Balance Remaining	\$11,845,640	\$11,845,640

Commerce – Enterprise

Budget Code: 54600

	FY 2015-16	FY 2016-17
Beginning Unreserved Fund Balance	\$3,639,764	\$3,981,703
Recommended Budget		
Requirements	\$33,541,658	\$33,541,658
Receipts	\$33,883,597	\$33,883,597
Positions	284.00	284.00

Legislative Changes

Requirements:

Utilities Commission (5211)	(\$144,428) R	(\$144,428) R
Reduces the budgeted requirements and receipts for the Utilities Commission to more closely align to actuals.	\$0 NR	\$0 NR
	0.00	0.00
Utilities - Public Staff (5221)	(\$478,193) R	(\$478,193) R
Reduces the budgeted requirements and receipts for the Public Staff to more closely align to actuals.	\$0 NR	\$0 NR
	0.00	0.00
Subtotal Legislative Changes	(\$622,621) R	(\$622,621) R
	\$0 NR	\$0 NR
	0.00	0.00

Receipts:

Utilities Commission (5211)	(\$144,428) R	(\$144,428) R
Reduces the budgeted requirements and receipts for the Utilities Commission to more closely align to actuals.	\$0 NR	\$0 NR
Utilities - Public Staff (5221)	(\$478,193) R	(\$478,193) R
Reduces the budgeted requirements and receipts for the Public Staff to more closely align to actuals.	\$0 NR	\$0 NR
Subtotal Legislative Changes	(\$622,621) R	(\$622,621) R
	\$0 NR	\$0 NR

Conference Committee Report

	FY 2015-16	FY 2016-17
Revised Total Requirements	\$32,919,037	\$32,919,037
Revised Total Receipts	\$33,260,976	\$33,260,976
Change in Fund Balance	\$341,939	\$341,939
Total Positions	284.00	284.00
Unappropriated Balance Remaining	\$3,981,703	\$4,323,642

Utilities Commission/Public Staff

Budget Code: 64605

	FY 2015-16	FY 2016-17
Beginning Unreserved Fund Balance	\$3,366,237	\$3,366,237
Recommended Budget		
Requirements	\$16,122,621	\$16,122,621
Receipts	\$16,122,621	\$16,122,621
Positions	0.00	0.00

Legislative Changes

Requirements:

Utilities Comm. - Public Staff - Enterprise (6431)	(\$622,621) R	(\$622,621) R
Reduces the budgeted requirements and receipts for the fund to more closely align to actuals.	\$0 NR	\$0 NR
	0.00	0.00
Subtotal Legislative Changes	(\$622,621) R	(\$622,621) R
	\$0 NR	\$0 NR
	0.00	0.00

Receipts:

Utilities Comm. - Public Staff - Enterprise (6431)	(\$622,621) R	(\$622,621) R
Reduces the budgeted requirements and receipts for the fund to more closely align to actuals.	\$0 NR	\$0 NR
Subtotal Legislative Changes	(\$622,621) R	(\$622,621) R
	\$0 NR	\$0 NR

Conference Committee Report

	FY 2015-16	FY 2016-17
Revised Total Requirements	\$15,500,000	\$15,500,000
Revised Total Receipts	\$15,500,000	\$15,500,000
Change in Fund Balance	\$0	\$0
Total Positions	0.00	0.00
Unappropriated Balance Remaining	\$3,366,237	\$3,366,237

Commerce - State Aid

GENERAL FUND

Recommended Base Budget	FY 15-16		FY 16-17	
	\$11,704,240		\$11,704,240	
Legislative Changes				
American Legion World Series Baseball (1913)				
103 American Legion World Series (ALWS) Baseball Inc.				
Provides nonrecurring funding to ALWS, the nonprofit organization responsible for hosting the 2015 American Legion Baseball World Series.	\$200,000	NR		
Biotechnology Center				
104 Biotechnology Center (1121)				
Provides recurring funding for the Biotechnology Center; annual funding totals \$13.6 million.	\$5,000,000	R	\$5,000,000	R
Brevard Station Museum				
105 Brevard Station Museum (1913)				
Provides nonrecurring funding for the Brevard Station Museum in Stanley.	\$25,000	NR		
Grassroots Science Museums (1913)				
106 Grassroots Science Museums				
Transfers funding in FY 2016-17 to the Museum of Natural Sciences to establish a competitive grant program for North Carolina science centers/museums and children's museums.			(\$2,448,430)	R
High Point Market Authority (1913)				
107 High Point Market Authority (HPMA)				
Provides additional funding for HPMA marketing; total annual funding is \$1.2 million.	\$500,000	R	\$500,000	R
Rankin Museum (1913)				
108 Rankin Museum of American Heritage				
Provides nonrecurring funding for the Rankin Museum in Ellerbe.	\$25,000	NR		
Research Triangle Institute (1913)				
109 Research Triangle Institute Grant				
Provides funds to the Research Triangle Institute. FY 2015-16 monies will match US Department of Energy grants for clean energy research and development.	\$800,000	R	\$800,000	R

The Support Center (1913)

110 The Support Center

Provides nonrecurring funding to The Support Center for each year of the biennium to provide small business loans and financial training to start-ups and existing businesses and lending services to community-based organizations.

\$2,500,000 NR \$2,500,000 NR

Total Legislative Changes

\$6,300,000 R **\$3,851,570** R

\$2,750,000 NR **\$2,500,000** NR

Total Position Changes

Revised Budget

\$20,754,240

\$18,055,810

Cultural Resources

GENERAL FUND

Recommended Base Budget	FY 15-16		FY 16-17	
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Legislative Changes				
Reserve for Salaries and Benefits				
111 Compensation Reserve				
Provides funds for a \$750 one-time bonus for State employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes.	\$1,305,055	NR		
112 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System to fund increased retiree medical premiums. Total General Fund appropriation across all sections in the committee report is \$11.0 million in FY 2015-16 and FY 2016-17.	\$61,895	R	\$61,895	R
113 State Health Plan				
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General Fund for the 2015-17 fiscal biennium.	\$148,533	R	\$148,533	R

Department-wide

114 Administrative Positions

	\$3,129,370	R	\$3,129,370	R
	15.45		15.45	

Establishes administrative positions in the newly renamed Department of Natural and Cultural Resources due to the transfer of the Zoo, Aquariums, Museum of Natural Sciences, the Parks System, the Clean Water Management Trust Fund and Natural Heritage Program. Positions will be established using funds made available from the elimination of 24.94 vacant positions and the transfer of 15.45 filled positions from the Department of Environment and Natural Resources.

Filled Positions:

- 60036012 - Accountant (1.0)
- 60036004 - Accounting Technician (1.0)
- 60036013 - Accounting Technician (1.0)
- 60036014 - Accounting Technician (1.0)
- 60036017 - Accounting Technician (1.0)
- 60036019 - Accounting Technician (1.0)
- 60035954 - Administrative Assistant III (1.0)
- 60035979 - Artist Illustrator (1.0)
- 60035971 - Attorney II (1.0)
- 60035991 - EEO Administrator (1.0)
- 65010186 - Engineer (1.0)
- 60035950 - GS 5th Floor Receptionist (1.0)
- 60035949 - HR Representative (1.0)
- 60032527 - Info Communication Specialist (0.45)
- 60036042 - Purchaser (1.0)
- 60035942 - Special Assistant (1.0)

A+ Schools

115 A+ Schools

	\$232,711	NR	\$482,711	NR
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Provides additional funds for the management and execution of the A+ school program. The total amount of funds for this effort will be \$756,189 for FY 2015-16 and \$1,006,189 in FY 2016-17, including special revenue funds. There is a special revenue account that allows donations to be deposited and used only for the purpose of the activities for this program.

Aquariums

116 Aquariums Base Budget

	\$6,677,619	R	\$6,677,619	R
	118.50		118.50	

Creates an aquariums reserve to be used to establish the base budget for the aquariums transferred from the Department of Environment and Natural Resources to the newly renamed Department of Natural and Cultural Resources, effective July 1, 2015.

Archeology

117 Queen Anne's Revenge

	\$929,161	NR	\$570,839	NR
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Provides funding for the continued archeological work for the Queen Anne's Revenge excavation project. The total funding is \$1.5 million over the biennium for this effort.

Arts Council Grants

118 Grassroots Art Grants

Provides additional funds for the Grassroots Art Grants program. The total funding for this grants program will be \$2,453,708 in both FY 2015-16 and FY 2016-17.

\$150,000 NR \$150,000 NR

Clean Water Management Trust Fund

119 Clean Water Management Trust Fund (CWMTF) Base Budget

Creates a CWMTF reserve to be used to establish the base budget for the Trust Fund transferred from the Department of Environment and Natural Resources to the newly renamed Department of Natural and Cultural Resources, effective July 1, 2015.

\$11,657,530 R \$11,657,530 R

120 CWMTF Operating (1115)

Provides recurring funds to support the CWMTF's administrative expenses rather than funding administration from grant funds.

\$1,127,452 R \$1,127,452 R
9.60 9.60

121 Military Buffers

Provides additional funding to the CWMTF to be allocated specifically for the purpose of acquiring buffers around military bases. Total General Fund support for all CWMTF grants is \$30.3 million over the biennium. Total funding from all sources, including special license plates revenue, is \$38.7 million over the biennium.

\$1,000,000 R \$1,000,000 R

122 Grant Program Expansion

Provides additional grant funds for the CWMTF bringing total General Fund support for grants to approximately \$30.3 million over the biennium. Total funding from all sources, including special license plate revenue, is \$38.7 million over the biennium.

\$5,000,000 NR

Historic Preservation

123 Staff Support for Federal Historic Tax Credits

Provides funding for staff to support historic revitalization and federal tax credits.

\$190,730 R \$190,730 R
4.00 4.00

Historic Sites

124 Tryon Palace

Provides additional operating funds for Tryon Palace. Total funding for Tryon Palace is \$3,453,914 in FY 2015-16 and \$3,403,914 in FY 2016-17.

\$100,000 NR \$50,000 NR

History Museum

125 Chief Curator Position

Provides funds for the creation of 1 military curator position to serve the history museums.

\$102,000 R \$102,000 R
1.00 1.00

Library Grant Program

126 Library Grant Program

Provides \$1 million in funds for the library grant program to be disbursed through the formula. The amount available through State appropriations equals \$14,207,033 for each year of the biennium.

\$1,000,000 R \$1,000,000 R

Museum of Art

127 North Carolina Museum of Art

Provides nonrecurring funds to the North Carolina Museum of Art for FY 2015-16. The total funds available for FY 2015-16 is \$6,311,036.

\$130,000 NR

Museum of Natural Sciences

128 Museum Base Budget

Creates a museum reserve to be used to establish the base budget for the museum transferred from the Department of Environment and Natural Resources to the newly renamed Department of Natural and Cultural Resources, effective July 1, 2015. The transfer includes 3.12 receipt-supported positions.

\$11,842,973 R \$11,842,973 R

148.88 148.88

129 Grassroots Science Museums

Establishes a competitive grant program for North Carolina science centers/museums and children's museums with science and STEM (science, technology, engineering, and mathematics) exhibits and programming.

\$2,448,430 R

Natural Heritage Program

130 Natural Heritage Program Operating Funds (1115)

Provides funding for the Natural Heritage Program transferred from the Department of Environment and Natural Resources to the newly renamed Department of Natural and Cultural Resources, effective July 1, 2015. Total funding for the program is reduced by 41%.

\$450,000 R \$450,000 R

5.00 5.00

Parks and Recreation

131 Parks Base Budget

Creates a parks reserve to be used to establish the base budget for the parks system transferred from the Department of Environment and Natural Resources to the newly renamed Department of Natural and Cultural Resources, effective July 1, 2015. The transfer includes 17 receipt-supported positions.

\$42,807,443 R \$42,807,443 R

463.50 463.50

132 Parks and Recreation Trust Fund (PARTF)

Provides additional funding for PARTF bringing total grant funding from all sources to approximately \$37.2 million over the biennium.

\$190,924 R \$4,427,007 R

\$6,000,000 NR

133 Centennial Funding

Provides nonrecurring funds for the promotion of the 100th Anniversary of the North Carolina State Park System, including marketing funds, special exhibits and improved signage.

\$250,000 NR \$200,000 NR

134 Park Restoration

Provides nonrecurring funds to restore Brock's Mill House and Pond.

\$100,000 NR

Zoo

135 Zoo Base Budget

Creates a zoo reserve to be used to establish the base budget for the zoo transferred from the Department of Environment and Natural Resources to the newly renamed Department of Natural and Cultural Resources, effective July 1, 2015. The transfer includes 49.9 receipt-supported positions.

\$10,583,824 R \$10,533,824 R

213.35 213.35

Total Legislative Changes

\$90,970,293 R \$97,604,806 R

\$8,196,927 NR \$7,453,550 NR

Total Position Changes

979.28 979.28

Revised Budget

\$163,398,267 \$169,289,403

Cultural Resources - Roanoke Island Commission

GENERAL FUND

	FY 15-16		FY 16-17	
Recommended Base Budget	\$508,384		\$508,384	
Legislative Changes				
Roanoke Island Festival Park				
136 Operating Fund Increase	\$15,000	R	\$15,000	R
Provides additional operating funds for the Roanoke Island Festival Park. The total funds available will be \$523,384.				
Total Legislative Changes	\$15,000	R	\$15,000	R
Total Position Changes				
Revised Budget	\$523,384		\$523,384	

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**Justice and Public
Safety
Section I**

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Public Safety

GENERAL FUND

	FY 15-16	FY 16-17
Recommended Base Budget	\$1,758,733,006	\$1,758,773,164

Legislative Changes

A. Reserve for Salaries and Benefits

1 Compensation Reserve	\$134,578	R	\$134,578	R
Provides funds for a \$750 one-time bonus for State employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes. In addition, funds are appropriated for the changes to the Statewide teacher salary schedule that affect State agency teachers within the Department.	\$19,778,039	NR		
2 Trooper Step Increase	\$876,980	R	\$1,753,960	R
Provides funds for an experience-based step increase for State Highway Patrol Troopers pursuant to G.S. 20-187.3. The FY 2015-16 step increase shall be effective January 1, 2016.				
3 State Highway Patrol Market Adjustment	\$3,700,000	R	\$3,700,000	R
Provides funds for a market-based salary adjustment for sworn members of the State Highway Patrol (SHP). Salaries of all sworn members of the SHP are increased 3% and the starting pay for entry-level SHP positions is also increased 3% from \$35,000 to \$36,050.				
4 Correctional Officer Custody-level Based Pay Adjustment	\$12,771,297	R	\$25,542,594	R
Provides funds to begin implementation of custody-level pay for Correctional Officers, Custody Supervisors, and Prison Facility Administrators. No earlier than January 1, 2016, the Department of Public Safety will begin adjusting Correctional Officer salaries, including the salaries of Correctional Food Service Officers and Managers, based on the custody level of the correctional facility.				
5 Parole Commission Salary Adjustment	\$98,393	R	\$98,393	R
Increases the salaries of the Parole Commission. The salary of the Chair of the Parole Commission is increased to the same salary as the Chair of the Board of Review. The salary of the three members of the Parole Committee remain at 92.4% of the Chair's salary.				
6 State Retirement Contributions	\$1,046,686	R	\$1,046,686	R
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System to fund increased retiree medical premiums. Total General Fund appropriation across all sections in the committee report is \$11.0 million in FY 2015-16 and FY 2016-17.				
7 State Health Plan	\$2,251,128	R	\$2,251,128	R
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General Fund for the 2015-17 fiscal biennium.				

B. Department-wide

8 Samarcand Operating Costs

Funds start-up costs for the Samarcand Training Academy in Moore County. The training facility will allow the Department to provide overnight training for correctional officers and juvenile justice officers, as well as other employees of the Department of Public Safety (DPS). Positions are phased in throughout the biennium.

\$1,096,687	R	\$1,936,248	R
\$466,121	NR		
18.00		21.00	

9 Appropriate Use-of-Force Training

Provides nonrecurring funds to purchase a use-of-force training simulator for the Samarcand Training Academy.

\$109,656	NR
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10 Samarcand Firing Range

Provides funds to construct a state-of-the-art firing range at the Samarcand Training Academy. The firing range will be made available to train for correction officers, probation and parole officers, State law enforcement officers, and local law enforcement agencies.

\$2,898,779	NR
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C. Administration

11 Operating Budget Reductions

Reduces various line items in the operating budget for the Division of Administration. Reductions include:

(\$199,189)	R	(\$199,189)	R
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PC/Printer Equipment	(\$110,000)
Server Equipment	(\$ 56,000)
Data Processing Supplies	(\$ 15,000)
Laboratory Service Agreement	(\$ 6,000)
Library and Learning Resources	(\$ 7,000)
Other line items	(\$ 5,189)

This reduction is 0.33% of the \$59.9 million budget for the Division of Administration.

12 Governor's Crime Commission Budget Alignment

Modifies the budgeted amount for PC software by \$10,879 and eliminates State matching funds of \$1,610 for grant funds that are no longer necessary. This is a 0.04% reduction to the Governor's Crime Commission budget of \$25.9 million.

(\$12,489)	R	(\$12,489)	R
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13 Grants for Body-worn Cameras

Provides matching grants for local and county law enforcement agencies to purchase and use body-worn video cameras and for training and related expenses. Agencies can receive up to \$100,000. Grants must be matched by agencies on a 2 to 1 basis.

\$2,500,000	NR	\$2,500,000	NR
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14 HERO Grants

Provides funds to the Governor's Crime Commission for grants to law enforcement agencies for salaries, training, and equipment for Internet Crimes Against Children Task Force affiliate investigators and forensic analysts to utilize technology and data analysis to locate and rescue children at risk of exploitation. Priority will be given to veterans who have received training from the Human Exploitation Rescue Operative (HERO) project, a collaborative between the National Association to Protect Children, US Immigration and Customs Enforcement, and the US Special Operations Command, or a comparable training program.

\$600,000 NR \$1,000,000 NR

D. Law Enforcement

15 SHP - Appropriate Use-of-Force Training

Provides funds to the State Highway Patrol (SHP) to develop and coordinate appropriate use-of-force training for State law enforcement officers, including the State Bureau of Investigation (SBI), Alcohol Law Enforcement (ALE), and State Capitol Police. Recurring funds are provided for supplies and equipment replacement and training costs; nonrecurring funds are provided for a use-of-force training simulator and associated equipment in the first year.

\$150,000 R \$150,000 R
\$109,656 NR

16 SHP Vehicles

Increases funding for Highway Patrol vehicles by 153% to \$12,649,895 to fully fund the enforcement and support fleet vehicle replacement schedule. Enforcement vehicles will be replaced every 100,000 miles.

\$7,657,143 R \$7,657,143 R

17 SHP Vehicle Cameras

Provides funds to install cameras in the remaining enforcement fleet vehicles that do not already have them. Once the remaining fleet is outfitted with cameras, all of the cameras will be on a five-year replacement cycle.

\$2,649,625 R \$2,649,625 R
\$695,650 NR

18 SBI Vehicles

Establishes a recurring budget to replace 75 vehicles per year for the State Bureau of Investigation, including ALE.

\$1,943,373 R \$1,943,373 R

19 SAFIS Replacement

Budgets \$399,602 in receipts on a recurring basis for replacement of the Statewide Automated Fingerprint Identification System (SAFIS). An additional \$333,557 nonrecurring is transferred from Budget Code 23002 - Governor's Office Special Revenue into the Public Safety Information Technology Fund (Budget Code 24554) in the Special Fund section for this purpose.

20 Operation Medicine Drop

Provides funds to the SBI for Operation Medicine Drop, a program that conducts events for citizens to bring unused or expired medications to a central location for safe disposal.

\$120,000 NR

21 Law Enforcement Reorganization

Eliminates the Commissioner of Law Enforcement (Chief Deputy Secretary - 65014617). A corresponding special provision transfers the State Capitol Police as a section under the State Highway Patrol and makes the Highway Patrol a direct report to the Secretary.

(\$153,791)	R	(\$153,791)	R
-1.00		-1.00	

E. Emergency Management and National Guard

22 Emergency Management Operating Efficiencies

Shifts partial funding of 4 positions (60084453, 60032393, 60084598, 60032400) to receipt support (\$48,657), and reduces funds for supplies and equipment by \$24,703. This is a 0.20% reduction to the total budget for Emergency Management of \$35.7 million.

(\$73,360)	R	(\$73,360)	R
-1.17		-1.17	

23 National Guard Operating Efficiencies

Reduces the National Guard operating budget as follows:

Waste Mgt Services	(\$67,679)
Travel	(\$26,001)
Motor Vehicle Insurance	(\$10,000)

This is a 0.29% reduction to the total National Guard budget of \$35.5 million.

(\$103,680)	R	(\$103,680)	R
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24 National Guard Joint Forces Headquarters (JFHQ) Operating Expenses

Provides funds for building utilities and maintenance for the National Guard's portion of JFHQ. Federal funds were used for this purpose until last year, when the federal portion of the funding was reduced to 55% and a 45% State match was required.

\$350,000	R	\$375,000	R
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F. Adult Correction and Juvenile Justice - Prisons

25 Harnett CI Electronic Intrusion System

Enhances prison security through the installation of an Electronic Intrusion System (EIS) at Harnett Correctional Institution. EIS improves efficiency by eliminating staff in watchtowers and replacing them with a roving perimeter patrol. The total amount reduced in FY 2015-16 is \$127,838. However, the Department is authorized to spend \$74,050 nonrecurring funds for vehicles and telecommunications equipment for the perimeter patrols.

(\$53,788)	R	(\$511,219)	R
-14.00		-14.00	

26 Inmate Education

Reduces the Inmate Education budget by 5.6%, leaving \$8,451,087 to provide education services.

(\$500,000)	R	(\$500,000)	R
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27 Central Prison Mental Health Beds

Funds 66 positions at the Central Prison Mental Health Facility to open 72 additional beds to enable the unit to operate at full capacity of 216 beds. Thirty-five positions are effective January 1, 2016 and 31 additional positions are effective January 1, 2017.

\$1,074,669	R	\$3,161,763	R
35.00		66.00	

FY 15-16

FY 16-17

28 Mental Health Behavior Treatment

Establishes mental health behavior treatment units at eight close custody prisons. Four units are effective January 1, 2016 and four units are effective January 1, 2017.

\$2,092,641 R
\$121,300 NR
76.00

\$5,619,247 R
\$121,300 NR
152.00

29 Electronic Health Records

Provides funding for vendor fees for access and data for the electronic inmate healthcare records system. The Department is currently using nonrecurring funds for the development and implementation of the system.

\$1,363,357 R

30 Statewide Misdemeanant Confinement Fund

Provides funds for the Statewide Misdemeanant Confinement Fund (SMCF). This fund was previously supported by court costs that were transferred directly to the fund. SMCF provides payments to county jails for housing, transportation, and medical care for misdemeanants sentenced to confinement for longer than 90 days.

\$22,500,000 R

\$22,500,000 R

G. Adult Correction and Juvenile Justice - Community Corrections

31 Electronic Monitoring

Provides increased funding for electronic monitoring equipment for offenders under supervision. Use of electronic monitoring has more than doubled following the Justice Reinvestment Act; this funding supports the increased demand. With these additional funds, the budget for electronic monitoring will be \$4.9 million in the first year, a 17% increase. In the second year, it will be \$6.8 million, a 62% increase.

\$700,000 R

\$2,641,795 R

H. Adult Correction and Juvenile Justice - Juvenile Justice

32 Residential Beds for Adjudicated Juveniles

Provides funding for expanded bed capacity for adjudicated juveniles in contracted and State-run facilities throughout the State. The new total budget for juvenile community programs will be \$20.1 million, an increase of 11%.

\$2,000,000 R

\$2,000,000 R

Total Legislative Changes

\$61,996,903 R
\$27,399,201 NR

\$84,971,162 R
\$3,621,300 NR

Total Position Changes

112.83

222.83

Revised Budget

\$1,848,129,110

\$1,847,365,626

Justice

GENERAL FUND

	FY 15-16	FY 16-17
Recommended Base Budget	\$50,584,602	\$50,584,602

Legislative Changes

A. Reserve for Salaries and Benefits

33 Compensation Reserve

Provides funds for a \$750 one-time bonus for State employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes.

\$443,217 NR

34 Forensic Scientist Market Adjustment

Provides funds for a market-based salary adjustment for Forensic Scientists employed in the State Crime Laboratory.

\$1,023,635 R \$1,023,635 R

35 State Retirement Contributions

Increases the State's contribution for members of the Teachers' and State Employees' Retirement System to fund increased retiree medical premiums. Total General Fund appropriation across all sections in the committee report is \$11.0 million in FY 2015-16 and FY 2016-17.

\$37,128 R \$37,128 R

36 State Health Plan

Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General Fund for the 2015-17 fiscal biennium.

\$50,444 R \$50,444 R

B. State Crime Laboratory

37 Crime Lab Technicians

Creates 6 new technician positions at the State Crime Lab to handle non-scientific duties. These positions will allow forensic scientists to concentrate on more complex tasks, increasing efficiency and turn-around time for lab analysis.

\$251,117 R \$330,504 R
6.00 6.00

38 Outsourcing Funds for Forensic Analysis

Provides funds in the first year to allow the State Crime Lab to outsource forensic analysis services, including toxicology and DNA.

\$750,000 NR

FY 15-16

FY 16-17

39 DNA on Arrest for All Violent Felonies

Provides funds to expand DNA on Arrest to all violent felonies. The expansion is expected to generate an additional 4,308 DNA on Arrest samples. The following positions are created:

\$173,880	R	\$373,150	R
4.00		4.00	

Title	FTE	Total Position Cost
Forensic Scientist I	1.00	\$ 80,020
Information Processing Tech.	3.00	\$152,340

An additional \$140,790 is provided for related supplies and equipment. Funding in the first year has been pro-rated to account for the December 1, 2015 effective date.

C. Training and Standards

40 Appropriate Use-of-Force Training

Provides funds to the NC Justice Academy to develop curricula and provide appropriate use-of-force training to local law enforcement agencies. Funding is provided to create new criminal justice training coordinator positions for community relations and use-of-force training, and to offer multiple train-the-trainer programs in Fair and Impartial Policing throughout the year. Nonrecurring funding is provided to purchase use-of-force training simulators for the Edneyville and Salemburg campuses.

\$236,129	R	\$236,129	R
\$219,312	NR		
2.00		2.00	

41 Sexual Assault Investigator Training

Provides funds for a criminal justice coordinator to conduct basic and advanced training for the identification and investigation of sexual assault and violence against women crimes.

\$80,000	R	\$80,000	R
1.00		1.00	

Total Legislative Changes

\$1,852,333	R	\$2,130,990	R
\$1,412,529	NR		

Total Position Changes

13.00		13.00	
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Revised Budget

\$53,849,464		\$52,715,592	
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Judicial - Indigent Defense

GENERAL FUND

	FY 15-16		FY 16-17	
Recommended Base Budget	\$112,087,174		\$112,097,118	
Legislative Changes				
A. Reserve for Salaries and Benefits				
42 Compensation Reserve				
Provides funds for a \$750 one-time bonus for State employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes.	\$430,421	NR		
43 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System to fund increased retiree medical premiums. Total General Fund appropriation across all sections in the committee report is \$11.0 million in FY 2015-16 and FY 2016-17.	\$36,314	R	\$36,314	R
44 State Health Plan				
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General Fund for the 2015-17 fiscal biennium.	\$48,988	R	\$48,988	R
B. Private Appointed Counsel Funds				
45 Additional Private Appointed Counsel Funds				
Provides funding to pay private counsel assigned to represent indigent defendants, reducing a budget shortfall that has accumulated over several years. This budget shortfall creates a hardship for small business legal firms whose payments are delayed when State funding is exhausted before the end of the fiscal year. This is a funding increase of 5.5% in FY 2015-16 and 7.2% in FY 2016-17 over the current appropriation of \$61,579,725 .	\$3,400,000	R	\$4,447,544	R
Total Legislative Changes	\$3,485,302	R	\$4,532,846	R
	\$430,421	NR		
Total Position Changes				
Revised Budget	\$116,002,897		\$116,629,964	

Judicial

GENERAL FUND

	FY 15-16	FY 16-17
Recommended Base Budget	\$467,897,397	\$467,898,110

Legislative Changes

A. Reserve for Salaries and Benefits

46 Compensation Reserve

Provides funds for a \$750 one-time bonus for State employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes.

\$4,717,005 NR

47 Assistant and Deputy Clerk Step Increase

Provides funds for an experience-based step increase for Assistant and Deputy Clerks pursuant to G.S. 7A-102. The FY 2015-16 step increase shall be effective January 1, 2016.

\$1,885,984 R \$3,771,968 R

48 Magistrate Step Increase

Provides funds for an experience-based step increase for Magistrates pursuant to G.S. 7A-171.1. The FY 2015-16 step increase shall be effective January 1, 2016.

\$834,970 R \$1,669,940 R

49 State Retirement Contributions

Increases the State's contribution for members of the Teachers' and State Employees' Retirement System to fund increased retiree medical premiums. Total General Fund appropriation across all sections in the committee report is \$11.0 million in FY 2015-16 and FY 2016-17.

\$266,667 R \$266,667 R

50 Consolidated Judicial Retirement Contributions

Increases the State's contribution for members of the Consolidated Judicial Retirement System to fund increased retiree medical premiums.

\$78,100 R \$78,100 R

51 State Health Plan

Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General Fund for the 2015-17 fiscal biennium.

\$536,860 R \$536,860 R

B. Administration and Services

52 Court Information Technology

Provides funds for planning and initial implementation of the eCourts initiative at the Administrative Office of the Courts (AOC).

\$1,800,000 R \$1,800,000 R

53 Electronic Compliance

Provides funding to the Administrative Office of the Courts for an electronic compliance dismissal project.

\$567,236 NR

54 Funds for Interpreters, Expert Witnesses, and Juries

Increases the budget for interpreters, expert witnesses, and juries as necessary to operate the State court system. Funds for jury fees will increase by \$704,818 over the current budget of \$3,618,520. Funds for expert witnesses will increase by \$73,519 over the current budget of \$255,986. Funds for interpreters will increase by \$798,946 over the current budget of \$1,157,862. This represents a 31.3% increase over current funding levels.

\$1,577,283	R	\$1,577,283	R
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55 Funds For Operating Budget

Increases the budget for constitutionally and legally mandated legal and contracting services, equipment, travel, supplies, and maintenance as necessary to operate the State court system. This is an increase of 11.4% over the current budget levels in FY 2015-16 and 20.1% over current budget levels in FY 2016-17.

\$3,309,203	R	\$5,855,590	R
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56 JurisLink

Provides funds to establish a system of automated kiosks in local confinement facilities to allow attorneys representing indigent defendants to consult with their clients remotely.

\$400,000	NR
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C. Trial Court

57 Special Superior Court Judges

Eliminates 3 special superior court judgeships at the end of the terms of the judges currently serving in office. These terms will end on October 20, 2015 and January 26, 2016.

(\$306,541)	R	(\$613,083)	R
-3.00		-3.00	

58 Business Court Staff

Provides staff and facilities for special superior court judges who will be designated as Business Court judges in FY 2015-16.

\$428,529	R	\$571,372	R
\$938,524	NR		
6.00		6.00	

59 Special Assistant United States Attorneys

Creates 6 Assistant District Attorney positions to act as Special Assistant United States Attorneys (SAUSAs) in offices covering all federal districts around the State. The Conference of District Attorneys will consult with all of the elected District Attorneys to determine the best home offices for these positions. The SAUSAs shall follow best practices as established by the Conference of District Attorneys. The costs assume that positions will be effective as of July 1, 2016.

\$713,514	R
6.00	

Total Legislative Changes

\$10,411,055	R	\$16,228,211	R
\$6,622,765	NR		

Total Position Changes

3.00		9.00
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Revised Budget

\$484,931,217		\$484,126,321
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Public Safety-Welfare

Budget Code: 24553

	FY 2015-16	FY 2016-17
Beginning Unreserved Fund Balance	\$5,742,593	\$4,667,520
Recommended Budget		
Requirements	\$13,528,563	\$13,528,563
Receipts	\$13,128,490	\$13,128,490
Positions	31.00	31.00

Legislative Changes

Requirements:

Managed Access for Cell Phones	\$0 R	\$0 R
Provides funding for the Department of Public Safety to spend up to \$675,000 in FY 2015-16 and up to \$2,750,000 in FY 2016-17 for a Managed Access System to provide enhanced security technology to deter illegal access of cell phones by inmates in the State's prison system.	\$675,000 NR	\$2,750,000 NR
	0.00	0.00
Subtotal Legislative Changes	\$0 R	\$0 R
	\$675,000 NR	\$2,750,000 NR
	0.00	0.00

Receipts:

Managed Access for Cell Phones	\$0 R	\$0 R
No budget action necessary.	\$0 NR	\$0 NR
Subtotal Legislative Changes	\$0 R	\$0 R
	\$0 NR	\$0 NR

Conference Committee Report

	FY 2015-16	FY 2016-17
Revised Total Requirements	\$14,203,563	\$16,278,563
Revised Total Receipts	\$13,128,490	\$13,128,490
Change in Fund Balance	(\$1,075,073)	(\$3,150,073)
Total Positions	31.00	31.00
Unappropriated Balance Remaining	\$4,667,520	\$1,517,447

Public Safety Information Technology Fund

Budget Code: 24554

	FY 2015-16		FY 2016-17
Beginning Unreserved Fund Balance	\$18,835,595		\$9,835,595
Recommended Budget			
Requirements	\$0		\$0
Receipts	\$0		\$0
Positions	0.00		0.00
<hr/>			
Legislative Changes			
Requirements:			
SAFIS Replacement	\$0 R		\$0 R
Budgets funds transferred from Budget Code 23002 to the State Bureau of Investigation to update the Statewide Automated Fingerprint Information System (SAFIS).	\$333,557 NR		\$0 NR
	0.00		0.00
Enterprise Resource Planning	\$0 R		\$0 R
Transfers funds appropriated for Enterprise Resource Planning from Budget Code 24554 to the General Fund.	\$9,000,000 NR		\$0 NR
	0.00		0.00
Subtotal Legislative Changes	\$0 R		\$0 R
	\$9,333,557 NR		\$0 NR
	0.00		0.00

Receipts:

SAFIS Replacement	\$0 R		\$0 R
Budgets funds transferred from Budget Code 23002 to the State Bureau of Investigation to update the Statewide Automated Fingerprint Information System (SAFIS).	\$333,557 NR		\$0 NR
Enterprise Resource Planning	\$0 R		\$0 R
No budget action necessary.	\$0 NR		\$0 NR

Conference Committee Report

	FY 2015-16	FY 2016-17
Subtotal Legislative Changes	\$0 R	\$0 R
	\$333,557 NR	\$0 NR
<hr/>		
Revised Total Requirements	\$9,333,557	\$0
Revised Total Receipts	\$333,557	\$0
Change in Fund Balance	(\$9,000,000)	\$0
Total Positions	0.00	0.00
<hr/>		
Unappropriated Balance Remaining	\$9,835,595	\$9,835,595

Public Safety – Special – Interest Bearing

Budget Code: 24555

	FY 2015-16	FY 2016-17
Beginning Unreserved Fund Balance	\$19,924,292	\$13,923,877
Recommended Budget		
Requirements	\$8,466,432	\$8,466,432
Receipts	\$2,666,017	\$2,666,017
Positions	5.00	5.00

Legislative Changes

Requirements:

Community Correction Funds	\$0	R		\$0	R
Provides funds for the Community Corrections section of the Department of Public Safety to support training, purchase of safety equipment, and electronic monitoring.	\$200,000	NR		\$200,000	NR
	0.00			0.00	
Subtotal Legislative Changes	\$0	R		\$0	R
	\$200,000	NR		\$200,000	NR
	0.00			0.00	

Receipts:

Community Corrections Funds	\$0	R		\$0	R
No budget action necessary.	\$0	NR		\$0	NR
Subtotal Legislative Changes	\$0	R		\$0	R
	\$0	NR		\$0	NR

Conference Committee Report

	FY 2015-16	FY 2016-17
Revised Total Requirements	\$8,666,432	\$8,666,432
Revised Total Receipts	\$2,666,017	\$2,666,017
Change in Fund Balance	(\$6,000,415)	(\$6,000,415)
Total Positions	5.00	5.00
Unappropriated Balance Remaining	\$13,923,877	\$7,923,462

ABC Commission

Budget Code: 54551

	FY 2015-16	FY 2016-17
Beginning Unreserved Fund Balance	\$4,491,738	\$4,826,323
Recommended Budget		
Requirements	\$13,004,818	\$13,004,818
Receipts	\$13,339,403	\$13,339,403
Positions	44.00	44.00

Legislative Changes

Requirements:

Initiative to Reduce Underage Drinking	\$3,100,000	R	\$3,100,000	R
Provides funds for the Initiative to Reduce Underage Drinking to provide public relations assistance; strategic marketing and branding; multi-media planning, negotiation, and buying; and creative design and development for the NC ABC Commission's Talk It Out Campaign.	\$0	NR	\$0	NR
	0.00		0.00	
Subtotal Legislative Changes	\$3,100,000	R	\$3,100,000	R
	\$0	NR	\$0	NR
	0.00		0.00	

Receipts:

Bailment Surcharge Receipts	\$3,100,000	R	\$3,100,000	R
Increases the budgeted receipts from the bailment surcharge. The ABC Commission increased the bailment surcharge from \$0.80 per case to \$1.40 per case in FY 2014-15.	\$0	NR	\$0	NR
Subtotal Legislative Changes	\$3,100,000	R	\$3,100,000	R
	\$0	NR	\$0	NR

Conference Committee Report

	FY 2015-16	FY 2016-17
Revised Total Requirements	\$16,104,818	\$16,104,818
Revised Total Receipts	\$16,439,403	\$16,439,403
Change in Fund Balance	\$334,585	\$334,585
Total Positions	44.00	44.00
Unappropriated Balance Remaining	\$4,826,323	\$5,160,908

General Government Section J

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Conference Committee Report

	FY 15-16		FY 16-17	
7 Vacant Position Transfer	\$109,809	R	\$109,809	R
Creates a new position resulting from the transfer of a vacant position from the Department of Administration to the DMVA..	\$55,741	NR		
	1.00		1.00	
60013845 Chief Deputy III \$165,550 (including benefits)				
8 Position Transfer	\$61,176	R	\$61,176	R
Creates a position resulting from the transfer of a position from Department of Administration.				
	1.00		1.00	
60014065 Administrative Officer II \$61,176 (including benefits)				
9 Position Transfer	\$72,143	R	\$72,143	R
Establishes 1 accounting position within DMVA resulting from the transfer of 1 filled position from Department of Administration.				
	1.00		1.00	
60014117 Accountant \$72,143 (including benefits)				
Program Transfers				
10 Veterans Affairs Transfer	\$6,776,393	R	\$6,776,393	R
Establishes the central administrative staff and field operations staff within DMVA transferred from the Department of Administration, effective July 1, 2015. In addition to appropriations there are additional receipts of \$6,784,740 for total requirements of \$13,561,133.	70.90		70.90	
11 State Veteran's Home Program				
Establishes the Veteran's Home Program, including 8.80 FTEs, within DMVA transferred from the Department of Administration. The program is entirely receipt supported. The budget for FY 2015-16 is \$45,864,689.				
Total Legislative Changes	\$7,556,254	R	\$7,556,254	R
	\$1,980,741	NR	\$250,000	NR
Total Position Changes	77.90		77.90	
Revised Budget	\$9,536,995		\$7,806,254	

(4.0) Office of Administrative Hearings

GENERAL FUND

	FY 15-16		FY 16-17	
Recommended Base Budget	\$4,992,437		\$4,992,437	
Legislative Changes				
Reserve for Salaries and Benefits				
12 Compensation Reserve				
Provides funds for a \$750 one-time bonus for State employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes.	\$36,771	NR		
13 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System to fund increased retiree medical premiums. Total General Fund appropriation across all sections in the committee report is \$11.0 million in FY 2015-16 and FY 2016-17.	\$3,371	R	\$3,371	R
14 State Health Plan				
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General Fund for the 2015-17 fiscal biennium.	\$4,185	R	\$4,185	R
15 Codifier of Rules Salary Adjustment				
Provides funds to allow the Codifier of Rules salary to be set at 90% of the Chief Administrative Law Judge's (ALJ) salary. The Codifier of Rules will be appointed by the Chief ALJ pursuant to G.S. 7A-760(b).	\$19,802	R	\$19,802	R
Administrative Law Judge				
16 Additional Administrative Law Judge				
Provides funds for an additional Administrative Law Judge in the Western part of the State.	\$123,618	R	\$123,618	R
	1.00		1.00	
Total Legislative Changes	\$150,976	R	\$150,976	R
	\$36,771	NR		
Total Position Changes	1.00		1.00	
Revised Budget	\$5,180,184		\$5,143,413	

(5.0) Treasurer

GENERAL FUND

Recommended Base Budget	FY 15-16		FY 16-17	
	\$9,734,913		\$9,734,913	

Legislative Changes

Reserve for Salaries and Benefits

17 Compensation Reserve

Provides funds for a \$750 one-time bonus for State employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes.

\$38,527 NR

18 State Retirement Contributions

Increases the State's contribution for members of the Teachers' and State Employees' Retirement System to fund increased retiree medical premiums. Total General Fund appropriation across all sections in the committee report is \$11.0 million in FY 2015-16 and FY 2016-17.

\$3,937 R \$3,937 R

19 State Health Plan

Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General Fund for the 2015-17 fiscal biennium.

\$4,385 R \$4,385 R

ABLE Act

20 ABLE

Provides funding to implement the Achieving a Better Life Experience (ABLE) Act. The following positions are authorized to be created:: Attorney II, Information and Communication Specialist II, Administrative Support Specialist, and Economic Development Manager.

	\$215,000	R	\$540,000	R
	\$250,000	NR	\$55,000	NR
	4.00		4.00	

Financial Operations Divisions

21 Operations Reduction

Reduces the budgets for the Investment Division and Banking Division by 2%. The total budget for these 2 divisions will be \$9,427,041 in FY 2015-16 and FY 2016-17.

(\$188,715) R (\$188,715) R

Local Government Commission

22 Intervention Task Force

Provides funding for 2 positions in the local government unit to assist local government entities that have been identified as being at risk of financial failure.

	\$198,864	R	\$198,864	R
	\$6,000	NR		
	2.00		2.00	

Total Legislative Changes	\$233,471	R	\$558,471	R
	\$294,527	NR	\$55,000	NR
Total Position Changes	6.00		6.00	
Revised Budget	\$10,262,911		\$10,348,384	

Escheats

Budget Code: 63412

	FY 2015-16		FY 2016-17
Beginning Unreserved Fund Balance	\$578,160,445		\$713,836,707
Recommended Budget			
Requirements	\$94,118,299		\$94,118,299
Receipts	\$202,107,116		\$202,107,116
Positions	0.00		0.00

Legislative Changes

Requirements:

Technical Correction: Children of War Veterans Scholarships	(\$3,041,243) R		(\$3,041,243) R
Corrects the base budget transfer amount to the Children of War Veterans Scholarship program. The corrected transfer from the Escheats Fund is \$6.5 million recurring.	\$0 NR		\$0 NR
	0.00		0.00
Technical Correction: North Carolina Community College Financial Aid	\$2,353,798 R		\$2,353,798 R
Corrects the base budget transfer amount to the North Carolina Community Colleges Financial Aid program. The corrected transfer from the Escheats Fund is \$16.3 million recurring.	\$0 NR		\$0 NR
	0.00		0.00
Technical Correction: University of North Carolina Need Based Aid	(\$27,000,000) R		(\$27,000,000) R
Corrects the base budget transfer amount to the University of North Carolina Need Based Aid program. The corrected transfer from the Escheats Fund is \$37.8 million recurring.	\$0 NR		\$0 NR
	0.00		0.00
Subtotal Legislative Changes	(\$27,687,445) R		(\$27,687,445) R
	\$0 NR		\$0 NR
	0.00		0.00

Receipts:

Conference Committee Report

	FY 2015-16	FY 2016-17
Technical Corrections	\$0 R	\$0 R
	\$0 NR	\$0 NR
Subtotal Legislative Changes	\$0 R	\$0 R
	\$0 NR	\$0 NR
<hr/>		
Revised Total Requirements	\$66,430,854	\$66,430,854
Revised Total Receipts	\$202,107,116	\$202,107,116
Change in Fund Balance	\$135,676,262	\$135,676,262
Total Positions	0.00	0.00
<hr/>		
Unappropriated Balance Remaining	\$713,836,707	\$849,512,969

(6.0) Fire Rescue Nat Guard Pensions & LDD Benefits

GENERAL FUND

	FY 15-16		FY 16-17	
Recommended Base Budget	\$20,664,274		\$20,664,274	
Legislative Changes				
Information Technology				
23 Data Audit				
Provides funds for the completion of the data audit to establish a lapse assumption for the valuation of the Fire and Rescue Squad Workers' Pension Fund.	\$350,000	NR		
National Guard				
24 General Fund Contribution				
Increases the General Fund contribution to the National Guard Pension Fund to increase benefits by \$6 to \$12 per month.	\$1,027,025	R	\$1,027,025	R
Total Legislative Changes	\$1,027,025	R	\$1,027,025	R
	\$350,000	NR		
Total Position Changes				
Revised Budget	\$22,041,299		\$21,691,299	

(7.0) Insurance

GENERAL FUND

Recommended Base Budget	FY 15-16		FY 16-17	
	\$38,296,364		\$38,296,364	

Legislative Changes

Reserve for Salaries and Benefits

25 Compensation Reserve

Provides funds for a \$750 one-time bonus for State employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes.

\$297,033 NR

26 State Retirement Contributions

Increases the State's contribution for members of the Teachers' and State Employees' Retirement System to fund increased retiree medical premiums. Total General Fund appropriation across all sections in the committee report is \$11.0 million in FY 2015-16 and FY 2016-17.

\$25,076 R \$25,076 R

27 State Health Plan

Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General Fund for the 2015-17 fiscal biennium.

\$33,806 R \$33,806 R

Captives Insurance

28 Actuary

Allows the Department of Insurance to create an Actuary I position that will work in the area of captives insurance management. The funding for this position was made available in S.L. 2013-360.

1.00 1.00

Office of State Fire Marshal

29 State Fire Protection Program

Eliminates the recurring transfer of funds from the Department of Transportation and provides nonrecurring funding for FY 2015-16 only. The State Fire Protection Fund reimburses local fire districts and political subdivisions of the State for providing local fire protection for State-owned buildings and its contents. This fund will go through a continuation review process and the decision to continue with funding or to discontinue funding will be made during the budget deliberations of 2016. The total funds for this program transferred from the Department of Transportation are \$158,000.

Total Legislative Changes	\$58,882	R	\$58,882	R
	\$297,033	NR		
Total Position Changes	1.00		1.00	
Revised Budget	\$38,652,279		\$38,355,246	

Regulatory Fund

Budget Code: 23900

	FY 2015-16	FY 2016-17
Beginning Unreserved Fund Balance	\$7,705,857	\$7,705,857
Recommended Budget		
Requirements	\$33,499,163	\$33,499,163
Receipts	\$33,499,163	\$33,499,163
Positions	0.00	0.00

Legislative Changes

Requirements:

Fund 2123 - Rescue Squad Workers' Relief Fund	(\$1,456,931) R	(\$1,456,931) R
Eliminates the recurring transfer of funds from the Division of Motor Vehicles (DMV) to support the Rescue Squad Workers' Relief Fund. The program will receive nonrecurring funds for FY 2015-16 and will be placed on a Continuation Review that will help determine whether the transfer of funds will need to continue from DMV to support this program.	\$1,456,931 NR	\$0 NR
	0.00	0.00
 Industrial Commission Transfer	 \$2,400,000 R	 \$2,400,000 R
Transfers funds to the Industrial Commission per S.L. 2014-100 to pay for the services that had previously been funded through fee collections.	\$0 NR	\$0 NR
	0.00	0.00
 Subtotal Legislative Changes	 \$943,069 R	 \$943,069 R
	\$1,456,931 NR	\$0 NR
	0.00	0.00

Receipts:

Fund 2123 - Rescue Squad Workers' Relief Fund	(\$1,456,931) R	(\$1,456,931) R
Eliminates the recurring transfer of funds from the Division of Motor Vehicles to support the Rescue Squad Workers' Relief Fund operated within Department of Insurance. The receipts from DMV will be nonrecurring during FY 2015-16 and eliminated in FY 2016-17.	\$1,456,931 NR	\$0 NR

Conference Committee Report

	FY 2015-16		FY 2016-17	
Insurance Regulatory Charge	\$2,400,000	R	\$2,400,000	R
Budgets additional receipts from the increase in the rate of the Regulatory Charge to 6.5% per S.L. 2014-100.	\$0	NR	\$0	NR
Subtotal Legislative Changes	\$943,069	R	\$943,069	R
	\$1,456,931	NR	\$0	NR
<hr/>				
Revised Total Requirements	\$35,899,163		\$34,442,232	
Revised Total Receipts	\$35,899,163		\$34,442,232	
Change in Fund Balance	\$0		\$0	
Total Positions	0.00		0.00	
<hr/>				
Unappropriated Balance Remaining	\$7,705,857		\$7,705,857	

Volunteer Rescue/EMS Grant Program

Budget Code: 23901

	FY 2015-16	FY 2016-17
Beginning Unreserved Fund Balance	\$910,473	\$910,473
Recommended Budget		
Requirements	\$1,303,585	\$1,303,585
Receipts	\$1,303,585	\$1,303,585
Positions	3.50	3.50

Legislative Changes

Requirements:

Fund 2122 - Volunteer Rescue/EMS Grant Program	(\$1,303,585) R	(\$1,303,585) R
Eliminates the recurring transfer of funds from the Division of Motor Vehicles (DMV) for the Volunteer Rescue/EMS Grant Program. The program will receive nonrecurring funds for FY 2015-16 and the fund is to be placed on a Continuation Review that will help to determine whether the transfer of funds from DMV should continue to support this program.	\$1,303,585 NR 0.00	\$0 NR -3.50
Subtotal Legislative Changes	(\$1,303,585) R \$1,303,585 NR 0.00	(\$1,303,585) R \$0 NR -3.50

Receipts:

Fund 2122 - Volunteer Rescue/EMS Grant Fund	\$0 R	\$0 R
Eliminates the transfer of recurring funds from the Division of Motor Vehicles to the Department of Insurance for the Volunteer Rescue/EMS Grant Program in FY 2015-16 and FY 2016-17 and provides nonrecurring funds for FY 2015-16.	\$0 NR	\$0 NR
Subtotal Legislative Changes	\$0 R \$0 NR	\$0 R \$0 NR

Conference Committee Report

	FY 2015-16	FY 2016-17
Revised Total Requirements	\$1,303,585	\$0
Revised Total Receipts	\$1,303,585	\$1,303,585
Change in Fund Balance	\$0	\$1,303,585
Total Positions	3.50	0.00
Unappropriated Balance Remaining	\$910,473	\$2,214,058

(9.0) State Board of Elections

GENERAL FUND

	FY 15-16		FY 16-17	
Recommended Base Budget	\$6,620,578		\$6,620,578	
Legislative Changes				
Reserve for Salaries and Benefits				
29 Compensation Reserve				
Provides funds for a \$750 one-time bonus for State employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes.	\$51,479	NR		
30 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System to fund increased retiree medical premiums. Total General Fund appropriation across all sections in the committee report is \$11.0 million in FY 2015-16 and FY 2016-17.	\$4,007	R	\$4,007	R
31 State Health Plan				
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General Fund for the 2015-17 fiscal biennium.	\$5,859	R	\$5,859	R
Agency-Wide				
32 Operating Budget Reduction				
Reduces the operating budget by 2% in anticipation of savings achieved through greater use of technology.	(\$117,081)	R	(\$117,081)	R
VIVA				
33 VIVA Implementation				
Provides additional funds for the implementation of the Voter Information Verification Act (VIVA).	\$200,000	NR		
Total Legislative Changes	(\$107,215)	R	(\$107,215)	R
	\$251,479	NR		
Total Position Changes				
Revised Budget	\$6,764,842		\$6,513,363	

(10.0) General Assembly

GENERAL FUND

	FY 15-16		FY 16-17	
Recommended Base Budget	\$52,865,521		\$52,865,521	
Legislative Changes				
Reserve for Salaries and Benefits				
34 Compensation Reserve				
Provides funds for a \$750 one-time bonus for State employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes.	\$400,598	NR		
35 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System to fund increased retiree medical premiums. Total General Fund appropriation across all sections in the committee report is \$11.0 million in FY 2015-16 and FY 2016-17.	\$27,795	R	\$27,795	R
36 Legislative Retirement Contributions				
Increases the State's contribution for members of the Legislative Retirement System to fund the annual required contribution and increased retiree medical premiums.	\$69,142	R	\$69,142	R
37 State Health Plan				
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General Fund for the 2015-17 fiscal biennium.	\$45,593	R	\$45,593	R
Legal Services				
38 Litigation Funds				
Provides additional funding to pay for current and pending litigation costs.	\$4,001,000	R	\$4,001,000	R
Total Legislative Changes	\$4,143,530	R	\$4,143,530	R
	\$400,598	NR		
Total Position Changes				
Revised Budget	\$57,409,649		\$57,009,051	

Total Legislative Changes	(\$293,072)	R	(\$293,072)	R
	\$255,935	NR		
Total Position Changes	-2.00		-2.00	
Revised Budget	\$5,822,109		\$5,566,174	

Special Revenue – General Fund

Budget Code: 23002

	FY 2015-16	FY 2016-17
Beginning Unreserved Fund Balance	\$333,557	\$0
Recommended Budget		
Requirements	\$0	\$0
Receipts	\$0	\$0
Positions	0.00	0.00

Legislative Changes

Requirements:

Statewide Automated Fingerprint Identification System Replacement	\$0 R	\$0 R
Transfers the balance of this account to Budget Code 24554, Public Safety - Information Technology Fund, to be used by the State Bureau of Investigation to update the Statewide Automated Fingerprint Identification System.	\$333,557 NR 0.00	\$0 NR 0.00
Subtotal Legislative Changes	\$0 R \$333,557 NR 0.00	\$0 R \$0 NR 0.00

Receipts:

Governor's Office Special Revenue	\$0 R	\$0 R
	\$0 NR	\$0 NR
Subtotal Legislative Changes	\$0 R \$0 NR	\$0 R \$0 NR

Conference Committee Report

	FY 2015-16	FY 2016-17
Revised Total Requirements	\$333,557	\$0
Revised Total Receipts	\$0	\$0
Change in Fund Balance	(\$333,557)	\$0
Total Positions	0.00	0.00
Unappropriated Balance Remaining	\$0	\$0

(12.0) Governor - Special Projects

GENERAL FUND

	FY 15-16	FY 16-17
Recommended Base Budget	\$2,000,000	\$2,000,000
<hr/>		
Legislative Changes		
45 No Change		
<hr/>		
Total Legislative Changes		
Total Position Changes		
Revised Budget	\$2,000,000	\$2,000,000

Total Legislative Changes	(\$55,514)	R	(\$55,514)	R
	\$152,541	NR		
Total Position Changes	1.00		1.00	
Revised Budget	\$7,683,949		\$7,531,408	

(14.0) State Budget and Management - Special

GENERAL FUND

	FY 15-16		FY 16-17	
Recommended Base Budget	\$0		\$0	
Legislative Changes				
Grants-in-Aid				
53 School Construction Funds				
Provides funds for Jones County for the construction of a collocated middle and high school.	\$10,957,288	NR		
54 Downtown Revitalization Grants				
Provides grant funding for downtown revitalization efforts. The following localities will receive an equal share of the funds appropriated for this purpose: City of Burlington, City of Dunn, City of Hendersonville, City of Kings Mountain, City of Lincolnton, City of Morganton, City of Reidsville, City of Rocky Mount, City of Shelby, City of Wilson, Town of Pembroke, Town of Rutherfordton, and Town of Smithfield,	\$1,249,400	NR		
55 Project Healing Waters Fly Fishing, Inc.				
Provides \$25,000 as a grant-in-aid to Project Healing Waters Fly Fishing, Inc. for the purpose of transporting veterans to recreational activities.	\$25,000	NR		
56 Museum of the Marine				
Provides funding for the Museum of the Marine.	\$500,000	NR		
57 Avasboro Battlefield Commission Project				
Provides funding to the Avasboro Battlefield Commission to assist with the purchase and relocation of the Shaw Halfway House.	\$50,000	NR		
Matching Grant				
58 Challenge Grant	\$1,500,000	R	\$1,500,000	R
Provides funding to the NC Symphony in the form of a challenge grant. The NC Symphony must demonstrate to the Office of State Budget and Management that it raises \$9 million during FY 2015-16 and again in FY 2016-17 in order to receive these grant funds.	\$500,000	NR	\$500,000	NR
Total Legislative Changes	\$1,500,000	R	\$1,500,000	R
	\$13,281,688	NR	\$500,000	NR
Total Position Changes				
Revised Budget	\$14,781,688		\$2,000,000	

(15.0) Auditor

		GENERAL FUND			
		FY 15-16			FY 16-17
Recommended Base Budget		\$11,733,689			\$11,733,689
Legislative Changes					
Reserve for Salaries and Benefits					
57 Compensation Reserve					
Provides funds for a \$750 one-time bonus for State employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes.	\$98,872	NR			
58 State Retirement Contributions					
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System to fund increased retiree medical premiums. Total General Fund appropriation across all sections in the committee report is \$11.0 million in FY 2015-16 and FY 2016-17.	\$9,849	R	\$9,849	R	
59 State Health Plan					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General Fund for the 2015-17 fiscal biennium.	\$11,253	R	\$11,253	R	
Contracted Services					
60 Subject Matter Experts					
Provides funding for the Auditor's Office to utilize subject matter experts during audits.	\$250,000	R	\$250,000	R	
Total Legislative Changes		\$271,102	R	\$271,102	R
		\$98,872	NR		
Total Position Changes					
Revised Budget		\$12,103,663			\$12,004,791

(16.0) Housing Finance Agency

GENERAL FUND

Recommended Base Budget	FY 15-16		FY 16-17	
	\$9,118,739		\$9,118,739	
Legislative Changes				
61 Workforce Housing Loan Program				
Provides funding for the Workforce Housing Loan Program (WHLP) to assist with the development of low-income housing units across the State. WHLP's total funding is \$12,500,000 in FY 2015-16 and \$15,000,000 in FY 2016-17.	\$12,500,000	NR	\$15,000,000	NR
62 HOME Match Program				
Provides General Fund money to the Housing Finance Agency to fully match federal funds for the HOME Match program in FY 2016-17. Total State appropriations for the HOME Match program in FY 2016-17 are \$3,000,000.			\$1,541,261	R
Total Legislative Changes	\$12,500,000	NR	\$15,000,000	NR
Total Position Changes				
Revised Budget	\$21,618,739		\$25,660,000	

Deferred State Aid

Budget Code: 63011

	FY 2015-16		FY 2016-17	
Beginning Unreserved Fund Balance	\$2,893,408		\$0	
Recommended Budget				
Requirements	\$0		\$0	
Receipts	\$0		\$0	
Positions	0.00		0.00	
<hr/>				
Legislative Changes				
Requirements:				
Community Living Housing Fund	\$0	R	\$0	R
Authorizes the Housing Finance Agency to use funds transferred from the Department of Health and Human Services to the Community Living Housing Fund as prescribed in G.S. 122E-3.1.	\$2,893,408	NR	\$0	NR
	0.00		0.00	
Subtotal Legislative Changes	\$0	R	\$0	R
	\$2,893,408	NR	\$0	NR
	0.00		0.00	

Receipts:				
Community Living Housing Fund	\$0	R	\$0	R
	\$0	NR	\$0	NR
Subtotal Legislative Changes	\$0	R	\$0	R
	\$0	NR	\$0	NR

Conference Committee Report

	FY 2015-16	FY 2016-17
Revised Total Requirements	\$2,893,408	\$0
Revised Total Receipts	\$0	\$0
Change in Fund Balance	(\$2,893,408)	\$0
Total Positions	0.00	0.00
Unappropriated Balance Remaining	\$0	\$0

(17.0) Administration

GENERAL FUND

	FY 15-16		FY 16-17	
Recommended Base Budget	\$67,409,693		\$65,932,950	

Legislative Changes

Reserve for Salaries and Benefits

63 Compensation Reserve

Provides funds for a \$750 one-time bonus for State employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes.

\$379,277 NR

64 State Retirement Contributions

Increases the State's contribution for members of the Teachers' and State Employees' Retirement System to fund increased retiree medical premiums. Total General Fund appropriation across all sections in the committee report is \$11.0 million in FY 2015-16 and FY 2016-17.

\$28,083 R \$28,083 R

65 State Health Plan

Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General Fund for the 2015-17 fiscal biennium.

\$43,167 R \$43,167 R

Department-Wide

66 Human Relations Commission Continuation Review

Places the General Fund support for the Human Relations Commission under Continuation Review. The recurring appropriation of \$545,407 is eliminated and a nonrecurring amount of \$545,407 is appropriated in FY 2015-16.

(\$545,407) R (\$545,407) R
 \$545,407 NR -6.20

67 Reduce Funding for Janitorial Supplies

Reduces the budget for janitorial supplies from \$544,387 to \$350,000 to more closely align with prior year actuals.

(\$194,387) R (\$194,387) R

68 Budget for Legal Services

Provides additional recurring funds for legal services to cover the current level of expenditures. Additionally, there is \$50,000 appropriated to cover pending litigation during FY 2015-16.

\$100,000 R \$100,000 R
 \$50,000 NR

DMVA Transfers

69 Position Transfer to the DMVA

Transfers a position from the Department of Administration to the Department of Military and Veterans Affairs (DMVA).

(\$61,176) R (\$61,176) R
 -1.00 -1.00

60014065 Administrative Officer II \$61,176 (including benefits)

Conference Committee Report

	FY 15-16		FY 16-17	
70 Position Transfer to the DMVA	(\$72,143)	R	(\$72,143)	R
Transfers 1 filled accounting position from the Department of Administration to the DMVA.	-1.00		-1.00	
60014117 Accountant \$72,143 (including benefits)				
71 Chief Operating Officer Position Transfer	(\$165,550)	R	(\$165,550)	R
Transfers the Chief Operating Officer position from the Department of Administration to the DMVA for the creation of a new position.	-1.00		-1.00	
60013845 Chief Deputy III \$165,550 (including benefits)				
72 Veterans Affairs Administration Transfer	(\$6,776,393)	R	(\$6,776,393)	R
Transfers the administration, positions, and all funding for the Veterans Affairs Program from the Department of Administration to the DMVA. In addition to the transfer of appropriations, there are receipts of \$6,784,740 for a total budget of \$13,561,133.	-70.90		-70.90	
Ethics Commission				
73 Investigation Funding				
Provides funding for an independent investigation during FY 2015-16 as authorized by the Ethics Commission. The amount of funding for purchased services in FY 2015-16 is \$145,461.	\$50,000	NR		
Office of State Human Resources				
74 Applicant Tracking System Replacement			\$100,000	R
Provides funds for the current applicant tracking system and additional funds for the start-up of the new system in FY 2015-16. Provides the recurring funds needed for the new applicant tracking system in FY 2016-17.	\$275,000	NR		
75 Position Realignment	(\$65,394)	R	(\$65,394)	R
Realigns funding for 1 position to reflect partial receipt support.	-0.50		-0.50	
60013740 Division Director				
76 Personnel Compensation and Classification System	\$140,000	R	\$140,000	R
Funds the software licensing fees required to build a new compensation system. This system will allow for quicker changes to the salary structure, provide streamlined review of electronic position descriptions, and enhance meeting and document management. Total funding for the compensation system in FY 2015-16 is \$140,000.				
77 Performance Management and Learning Management Systems	\$270,000	R	\$270,000	R
Provides funding to implement the Performance Management and Learning Management Systems, which track and report performance evaluations of state personnel. Funding for these programs in FY 2015-16 is \$936,465.				

Conference Committee Report

	FY 15-16		FY 16-17	
78 Vacant Position Transfer	(\$69,265)	R	(\$69,265)	R
Transfers 1 vacant position from the Office of State Human Resources to the Department of Military and Veterans Affairs.	-1.00		-1.00	
60013815 Human Resources Consultant \$69,265 (including benefits)				
<hr/>				
Total Legislative Changes	(\$7,368,465)	R	(\$7,268,465)	R
	\$1,299,684	NR		
Total Position Changes	-75.40		-81.60	
Revised Budget	\$61,340,912		\$58,664,485	
<hr/>				

Reserve for E-Commerce Initiative (2514)

Budget Code 24100-2514

	FY 2015-16	FY 2016-17
Beginning Unreserved Fund Balance	\$16,383,604	\$13,383,604
Recommended Budget		
Requirements	\$19,278,784	\$28,885,327
Receipts	\$19,278,784	\$19,278,784
Positions	2.90	2.90

Legislative Changes

Requirements:

E-Commerce Fund Transfer	\$0 R	\$0 R
Transfers \$3,000,000 in FY 2015-16 from the E-Commerce Fund to support general availability.	\$3,000,000 NR	\$0 NR
	0.00	0.00
Subtotal Legislative Changes	\$0 R	\$0 R
	\$3,000,000 NR	\$0 NR
	0.00	0.00

Receipts:

E-Commerce Fund Transfer	\$0 R	\$0 R
	\$0 NR	\$0 NR
Subtotal Legislative Changes	\$0 R	\$0 R
	\$0 NR	\$0 NR

Conference Committee Report

	FY 2015-16	FY 2016-17
Revised Total Requirements	\$22,278,784	\$28,885,327
Revised Total Receipts	\$19,278,784	\$19,278,784
Change in Fund Balance	(\$3,000,000)	(\$9,606,543)
Total Positions	2.90	2.90
Unappropriated Balance Remaining	\$13,383,604	\$3,777,061

Temporary Solutions

Budget Code 74100-7511

	FY 2015-16	FY 2016-17
Beginning Unreserved Fund Balance	(\$2,152,018)	\$1,602,642
Recommended Budget		
Requirements	\$44,507,525	\$44,507,525
Receipts	\$48,262,185	\$48,262,185
Positions	9.50	9.50

Legislative Changes

Requirements:

Temporary Solutions Adjustment	\$21,250,000	R	\$21,250,000	R
Increases funding for Temporary Solutions from \$44,507,525 to \$65,757,525 to reflect actual agency usage of temporary employment services.	\$0	NR	\$0	NR
	0.00		0.00	
Subtotal Legislative Changes	\$21,250,000	R	\$21,250,000	R
	\$0	NR	\$0	NR
	0.00		0.00	

Receipts:

Temporary Solutions Adjustment	\$21,250,000	R	\$21,250,000	R
Increases receipts for Temporary Solutions from \$48,262,185 to \$69,512,185 to reflect actual agency usage of temporary employment services.	\$0	NR	\$0	NR
Subtotal Legislative Changes	\$21,250,000	R	\$21,250,000	R
	\$0	NR	\$0	NR

Conference Committee Report

	FY 2015-16	FY 2016-17
Revised Total Requirements	\$65,757,525	\$65,757,525
Revised Total Receipts	\$69,512,185	\$69,512,185
Change in Fund Balance	\$3,754,660	\$3,754,660
Total Positions	9.50	9.50
Unappropriated Balance Remaining	\$1,602,642	\$5,357,302

(18.0) Revenue

GENERAL FUND

	FY 15-16		FY 16-17	
Recommended Base Budget	\$80,521,722		\$80,539,222	

Legislative Changes

79 Operating Budget Reduction	(\$400,000)	R	(\$400,000)	R
Decreases funding for Property, Plant, and Equipment line items by 14%, leaving \$2,534,673 in the fund.				
80 Lease Increases	\$414,031	R	\$441,115	R
Provides funds for increased lease payments for the field offices in Asheville, Durham, Elizabeth City, and Fayetteville.				
81 Excise Tax Auditor			\$104,698	R
Provides 1 new Auditor position in FY 2016-17 to handle the increased workload from the new excise tax on vapor products.				
			1.00	
82 Reduce Funds for Postage, Freight, and Delivery	(\$500,000)	R	(\$500,000)	R
Decreases the line item for postage, freight, and delivery by 13% from \$3,810,898 to \$3,310,898.				

Reserve for Salaries and Benefits

83 Compensation Reserve	\$751,142	NR		
Provides funds for a \$750 one-time bonus for State employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes.				
84 State Retirement Contributions	\$52,261	R	\$52,261	R
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System to fund increased retiree medical premiums. Total General Fund appropriation across all sections in the committee report is \$11.0 million in FY 2015-16 and FY 2016-17.				
85 State Health Plan	\$85,490	R	\$85,490	R
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General Fund for the 2015-17 fiscal biennium.				

Department-Wide

86 Information Technology Security Positions				
Funds 3 positions with receipts from the Information Technology Reserve Fund to help secure the data of the department. The receipts are \$406,374 recurring in FY 2015-16 and FY 2016-17 and \$18,600 nonrecurring in FY 2015-16.				

87 MotoTax System Maintenance and Upgrades

Authorizes the Department of Revenue to use \$91,000 in receipts for FY 2015-16 and \$788,966 in receipts in FY 2016-17 for maintenance and system hardware upgrades to the Tag and Title Vehicle Registration System. The source of the receipts is a fee assessed on cities and counties.

88 Common Payment System

\$211,000 R \$211,000 R

Provides funds to change the online payment system from Common Payment to Paypoint.

89 Vacant Positions Elimination

Cuts 5 receipt supported vacant positions at the Rocky Mount Call Center. The eliminated positions are:

- 60082320 Processing Assistant V
- 60081738 Processing Assistant V
- 60081592 Administrative Assistant I
- 60082371 Rev TPA Guilford Processing Assistant V
- 60082370 Rev TPA Guilford Processing Assistant V

Veterans Transfer

90 Vacant Position Transfer

(\$76,107) R (\$76,107) R

Transfers a vacant position from the Department of Revenue to the newly created Department of Military and Veterans Affairs (DMVA).

-1.00 -1.00

60082541 Administrative Officer II

Total Legislative Changes

(\$213,325) R (\$81,543) R

\$751,142 NR

Total Position Changes

-1.00 0.00

Revised Budget

\$81,059,539 \$80,457,679

Project Collect Tax

Budget Code 24708-2478

	FY 2015-16		FY 2016-17
Beginning Unreserved Fund Balance	\$57,439,003		\$32,728,127
Recommended Budget			
Requirements	\$29,484,891		\$29,489,952
Receipts	\$22,757,963		\$22,763,024
Positions	0.00		0.00

Legislative Changes

Requirements:

Market Rate Pay for Auditors	\$5,884,865	R	\$5,884,865	R
Funds a salary increase for auditors in the Department of Revenue.	\$0	NR	\$0	NR
	0.00		0.00	
Tax Fraud Analysis	\$0	R	\$0	R
Provides funds to the Department of Revenue to enter into a contract with a vendor to perform tax fraud analysis using the Government Data Analytics Center (GDAC).	\$2,000,000	NR	\$0	NR
	0.00		0.00	
Lease Increases	\$0	R	\$107,722	R
Provides funds to pay for increased lease expenses for the field offices in Asheville, Durham, Elizabeth City, and Fayetteville.	\$99,083	NR	\$0	NR
	0.00		0.00	
E-Services Capability	\$0	R	\$2,000,000	R
Transfers funds to budget code 24708-2478 for e-service upgrades.	\$10,000,000	NR	\$0	NR
	0.00		0.00	
Subtotal Legislative Changes	\$5,884,865	R	\$7,992,587	R
	\$12,099,083	NR	\$0	NR
	0.00		0.00	

Receipts:

Conference Committee Report

	FY 2015-16	FY 2016-17
Lease Increases	\$0 R	\$0 R
	\$0 NR	\$0 NR
Subtotal Legislative Changes	\$0 R	\$0 R
	\$0 NR	\$0 NR
<hr/>		
Revised Total Requirements	\$47,468,839	\$37,482,539
Revised Total Receipts	\$22,757,963	\$22,763,024
Change in Fund Balance	(\$24,710,876)	(\$14,719,515)
Total Positions	0.00	0.00
<hr/>		
Unappropriated Balance Remaining	\$32,728,127	\$18,008,612

ITAS Replacement

Budget Code 24708-2478

	FY 2015-16		FY 2016-17
Beginning Unreserved Fund Balance	\$31,801,939		\$20,986,999
Recommended Budget			
Requirements	\$51,024,601		\$51,024,601
Receipts	\$27,874,319		\$27,874,319
Positions	7.00		7.00

Legislative Changes

Requirements:

Tax Information Management System Funding	\$0	R	\$0	R
Authorizes the Department of Revenue to use funds from the Integrated Tax Administration System (ITAS) replacement fund to fund maintenance costs for the legacy ITAS and Tax Information Management System (TIMS).	\$6,752,618	NR	\$0	NR
	0.00		0.00	
Corporate Electronic Filing	\$0	R	\$0	R
Provides funds for an existing contract for the development of a corporate electronic tax filing system.	\$4,062,322	NR	\$0	NR
	0.00		0.00	
ITAS Replacement - Budget Adjustment	(\$51,024,601)	R	(\$51,024,601)	R
Revises the ITAS budget to reflect the changed authorization to the public private partnership found in S.L. 2014-100, Sec. 7.5.	\$0	NR	\$0	NR
	0.00		0.00	
E-Services Capability	\$0	R	\$2,000,000	R
Authorizes the Department of Revenue to use receipts from the Collection Assistance Fee to upgrade the e-service capabilities of the TIMS.	\$10,000,000	NR	\$0	NR
	0.00		0.00	
Subtotal Legislative Changes	(\$51,024,601)	R	(\$49,024,601)	R
	\$20,814,940	NR	\$0	NR
	0.00		0.00	

Receipts:

Conference Committee Report

	FY 2015-16	FY 2016-17
ITAS Replacement - Budget Adjustment	(\$27,874,319) R	(\$27,874,319) R
Revises the ITAS budget to reflect the changed authorization to the public private partnership found in S.L. 2014-100, Sec. 7.5.	\$0 NR	\$0 NR
E-Services Capability	\$0 R	\$2,000,000 R
	\$10,000,000 NR	\$0 NR
Subtotal Legislative Changes	(\$27,874,319) R	(\$25,874,319) R
	\$10,000,000 NR	\$0 NR
<hr/>		
Revised Total Requirements	\$20,814,940	\$2,000,000
Revised Total Receipts	\$10,000,000	\$2,000,000
Change in Fund Balance	(\$10,814,940)	\$0
Total Positions	7.00	7.00
<hr/>		
Unappropriated Balance Remaining	\$20,986,999	\$20,986,999

(19.0) Secretary of State

GENERAL FUND

	FY 15-16		FY 16-17	
Recommended Base Budget	\$11,676,506		\$11,676,506	
Legislative Changes				
Reserve for Salaries and Benefits				
91 Compensation Reserve				
Provides funds for a \$750 one-time bonus for State employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes.	\$137,996	NR		
92 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System to fund increased retiree medical premiums. Total General Fund appropriation across all sections in the committee report is \$11.0 million in FY 2015-16 and FY 2016-17.	\$8,483	R	\$8,483	R
93 State Health Plan				
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General Fund for the 2015-17 fiscal biennium.	\$15,706	R	\$15,706	R
Corporations				
94 Funding for Temporary Positions				
Provides funds for the Corporations Division to increase administrative staffing in the call center during peak filing season.	\$50,000	R	\$50,000	R
Total Legislative Changes	\$74,189	R	\$74,189	R
	\$137,996	NR		
Total Position Changes				
Revised Budget	\$11,888,691		\$11,750,695	

(20.0) Lieutenant Governor

	GENERAL FUND			
	FY 15-16		FY 16-17	
Recommended Base Budget	\$676,874		\$676,874	
Legislative Changes				
Reserve for Salaries and Benefits				
95 Compensation Reserve				
Provides funds for a \$750 one-time bonus for State employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes.	\$4,903	NR		
96 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System to fund increased retiree medical premiums. Total General Fund appropriation across all sections in the committee report is \$11.0 million in FY 2015-16 and FY 2016-17.	\$540	R	\$540	R
97 State Health Plan				
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General Fund for the 2015-17 fiscal biennium.	\$558	R	\$558	R
Total Legislative Changes	\$1,098	R	\$1,098	R
	\$4,903	NR		
Total Position Changes				
Revised Budget	\$682,875		\$677,972	

(21.0) State Controller

GENERAL FUND

	FY 15-16		FY 16-17	
Recommended Base Budget	\$22,205,229		\$22,205,229	
Legislative Changes				
98 Continuation Review				
Places the transfer of funds from the Department of Transportation to the State Controller for BEACON positions under Continuation Review. The transfer is \$496,578 for FY 2015-16 nonrecurring and is eliminated for FY 2016-17 pending the results of the Continuation Review.				
Reserve for Salaries and Benefits				
99 Compensation Reserve				
Provides funds for a \$750 one-time bonus for State employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes.	\$127,393	NR		
100 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System to fund increased retiree medical premiums. Total General Fund appropriation across all sections in the committee report is \$11.0 million in FY 2015-16 and FY 2016-17.	\$12,137	R	\$12,137	R
101 State Health Plan				
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General Fund for the 2015-17 fiscal biennium.	\$14,499	R	\$14,499	R
BEACON Funds Adjustment				
102 Operating Budget Adjustment				
Provides General Fund money to replace the elimination of the transfer from special fund code #24160.	\$494,521	R	\$494,521	R
Total Legislative Changes	\$521,157	R	\$521,157	R
	\$127,393	NR		
Total Position Changes				
Revised Budget	\$22,853,779		\$22,726,386	

Flexible Benefits Program

Budget Code: 24160-2000

	FY 2015-16	FY 2016-17
Beginning Unreserved Fund Balance	\$15,585,152	\$13,271,089
Recommended Budget		
Requirements	\$5,317,261	\$5,317,261
Receipts	\$0	\$0
Positions	0.00	0.00

Legislative Changes

Requirements:

Federal Insurance Contribution Act (FICA) Savings	\$0 R	\$0 R
Transfers \$4,296,802 in FY 2015-16 and \$641,628 in FY 2016-17 to the General Fund.	\$4,296,802 NR	\$641,628 NR
	0.00	0.00
Subtotal Legislative Changes	\$0 R	\$0 R
	\$4,296,802 NR	\$641,628 NR
	0.00	0.00

Receipts:

Federal Insurance Contribution Act (FICA) Savings	\$0 R	\$0 R
	\$7,300,000 NR	\$7,300,000 NR
Subtotal Legislative Changes	\$0 R	\$0 R
	\$7,300,000 NR	\$7,300,000 NR

Conference Committee Report

	FY 2015-16	FY 2016-17
Revised Total Requirements	\$9,614,063	\$5,958,889
Revised Total Receipts	\$7,300,000	\$7,300,000
Change in Fund Balance	(\$2,314,063)	\$1,341,111
Total Positions	0.00	0.00
Unappropriated Balance Remaining	\$13,271,089	\$14,612,200

OSC Special

Budget Code: 24160

	FY 2015-16	FY 2016-17
Beginning Unreserved Fund Balance	\$22,181,968	\$12,145,839
Recommended Budget		
Requirements	\$10,558,721	\$10,558,721
Receipts	\$28,071	\$28,071
Positions	1.00	1.00

Legislative Changes

Requirements:

Operating Budget Transfer	(\$494,521) R	(\$494,521) R
Ends a transfer from the special fund to the operating budget.	\$0 NR	\$0 NR
	0.00	0.00
Subtotal Legislative Changes	(\$494,521) R	(\$494,521) R
	\$0 NR	\$0 NR
	0.00	0.00

Receipts:

Operating Budget Transfer	\$0 R	\$0 R
	\$0 NR	\$0 NR
Subtotal Legislative Changes	\$0 R	\$0 R
	\$0 NR	\$0 NR

Conference Committee Report

	FY 2015-16	FY 2016-17
Revised Total Requirements	\$10,064,200	\$10,064,200
Revised Total Receipts	\$28,071	\$28,071
Change in Fund Balance	(\$10,036,129)	(\$10,036,129)
Total Positions	1.00	1.00
Unappropriated Balance Remaining	\$12,145,839	\$2,109,710

Transportation Section K

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Highway Fund

HIGHWAY FUND

	FY 15-16		FY 16-17
Recommended Base Budget	\$1,918,676,424		\$1,912,223,925

Legislative Changes

Administration

1 Board of Transportation Travel Expenditures	(\$5,000)	R	(\$5,000)	R
Reduces the Board of Transportation travel budget by 20% to \$20,000.				
2 Modernization of Driver Services and Vehicle Services	\$2,500,000	R	\$4,076,000	R
Provides funding for the continued modernization of Division of Motor Vehicles information technology systems, including Phase III of the State Automated Driver License System (SADLS) replacement effort.	\$23,956,000	NR		

Aid to Municipalities

3 State Aid to Municipalities	\$1,172,000	R	\$1,172,000	R
Increases funding for State Aid to Municipalities/Powell Bill to \$147.5 million in both FY 2015-16 and FY 2016-17 in accordance with the repeal of the statutory formula in G.S. 136-41.1(a), effective July 1, 2015.				

Construction

4 Planning Funds	\$695,000	NR	\$695,000	NR
Provides planning funding for multi-state highway projects that significantly enhance the region's economic development.				
5 Small Urban Construction	\$2,500,000	NR		
Provides funding for the Small Urban Construction Fund.				

Division of Motor Vehicles

6 Tag and Tax Together				
Continues funding for 44 time-limited positions to support the Tag and Tax Together program through June 30, 2016. Receipts totaling \$2,001,011 nonrecurring are budgeted from the administrative fee authorized in G.S. 105-330.5(b).				
7 Commission Contractor Compensation	\$181,803	R	\$181,803	R
Funds a 2.3% increase to statutory compensation rates for commission contractors and provides additional funding for performance incentives associated with revised standard operating procedures.				

8 Operating Efficiencies

Reduces operating funding division-wide by \$250,000 recurring.

(\$250,000) R

(\$250,000) R

9 Hearings Fees

Adjusts funding based on the delayed implementation of the Division of Motor Vehicles hearings fee schedule to July 1, 2017. Budgeted funds for the Division of Motor Vehicles total \$120,334,217 recurring.

\$6,452,499 NR

Division of Technical Services

10 Product Evaluation Program

Provides funding for one Value Management Program Engineer position (Salary: \$87,685) in the Value Management Office to accelerate the review of new technologies reviewed through the Product Evaluation Program.

\$138,871 R

\$138,871 R

1.00

1.00

Federal Aid

11 Adjustment for Federal Revenue

Adjusts budgeted receipts to match anticipated federal revenue for the upcoming biennium.

(\$4,055,402) R

(\$4,055,402) R

Intermodal

12 (Ferry Division) Hatteras Alternate Route and Spill Response Requirement

Provides funding for operating costs associated with the newly designated Hatteras Inlet route and training for new federal requirements concerning oil spill responses for vessels 400 gross tons and above. Budgeted funds for the Ferry Division total \$40,600,395 recurring.

\$1,700,000 R

\$1,700,000 R

13 (Public Transportation) Statewide and Rural Capital Grant Programs

Increases funding for the Statewide grant program by \$1 million and for the Rural Capital grant program by \$2 million. Budgeted funds for the Public Transportation Division total \$88,173,419 recurring.

\$3,000,000 R

\$3,000,000 R

14 (Aviation) State Aid to Airports

Increases funding for grants-in-aid for public airport development and unmanned aircraft system (UAS) programs. Budgeted funds for the Division of Aviation total \$38,260,952 in FY 2015-16 and \$33,760,952 in FY 2016-17.

\$11,500,000 R

\$12,500,000 R

\$5,500,000 NR

Maintenance

15 Reserve for General Maintenance

Reduces funding to the Reserve for General Maintenance. Budgeted funds total \$0 in FY 2015-16 and \$45,560,850 in FY 2016-17.

(\$45,560,850) NR

FY 15-16

FY 16-17

16 (Bridge Program) Statutory Adjustment

(\$488,674) R (\$488,674) R

Adjusts funding for the Bridge Program based on the revised revenue forecast. The program receives the balance of funds generated from the Gasoline Inspection Fee, after deducting expenses for the Department of Revenue for collecting the tax and expenses for the Department of Agriculture for fuel inspection.

17 Bridge Program

\$57,607,835 R \$89,152,560 R

Increases recurring funding to the Bridge Program. Budgeted funds total \$210,529,719 in FY 2015-16 and \$242,074,444 in FY 2016-17.

18 Contract Resurfacing

\$57,607,834 R \$89,152,561 R

Increases funding to the Contract Resurfacing Program. Budgeted funds total \$466,401,768 in FY 2015-16 and \$497,946,495 in FY 2016-17.

19 Pavement Preservation

\$20,000,000 R \$20,000,000 R

Increases funding to the Pavement Preservation Program. Budgeted funds total \$100,000,000 in FY 2015-16 and \$85,045,024 in FY 2016-17.

\$14,954,976 NR

20 Secondary Road Maintenance and Improvement Fund

\$18,178,036 R \$18,178,036 R

Increases funding to the Secondary Road Maintenance and Improvement Program. Budgeted funds total \$305,984,586 in FY 2015-16 and \$285,289,910 in FY 2016-17.

\$20,694,676 NR

Reserves

21 Reserve for Administrative Reduction- Position Reductions

(\$90,305) R (\$154,808) R

Eliminates funding for 1 filled administrative position and 49 filled receipt-supported positions to consolidate department functions and outsource functions. The administrative position totals \$154,808 and the receipt-supported positions total \$3,856,594, including salary and benefits.

-1.00 -1.00

22 Capital, Repairs and Renovations

Funds repair and renovation projects included in the Department of Transportation's 2015-21 Capital Improvements Plan.

\$5,019,700 NR \$6,965,700 NR

23 Workers' Compensation Adjustment Reserve

\$6,830,000 R \$6,830,000 R

Provides funding to adjust workers' compensation line items to the average FY 2012-13 and FY 2013-14 actual expenditures estimated to be from net Highway Fund appropriations. The Department is directed to further adjust these line items using receipts to reflect the average FY 2012-13 and FY 2013-14 actual expenditures from all sources.

24 Compensation Reserve

Provides funds for a \$750 one-time bonus for State employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes.

\$5,694,136 NR

FY 15-16				FY 16-17	

25 State Retirement Contribution

Increases the State’s contribution for members of the Teachers’ and State Employees’ Retirement System to fund increased retiree medical premiums.

\$346,500	R		\$346,500	R
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26 State Health Plan

Provides additional funding to continue health benefit coverage for enrolled active employees supported by the Highway Fund for the 2015-17 fiscal biennium.

\$648,071	R		\$648,071	R
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27 Reserve for Future Benefit Needs

Establishes a reserve for future benefit needs.

			\$2,000,000	R
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Revenue Availability

28 Motor Fuel Excise Tax Distribution

Adjusts the distribution of motor fuel tax proceeds to the Highway Fund from 75% to 71%, reducing funding in FY 2015-16 by \$76.29 million and in FY 2016-17 by \$73.80 million.

29 Division of Motor Vehicles (DMV) Fees

Increases forecasted revenue by \$75.06 million for FY 2015-16 and \$151.58 million for FY 2016-17 based on across-the-board adjustments to fees collected by the Division of Motor Vehicles.

30 Temporary Plate Fee

Budgets estimated revenue from a \$5 increase to the fee for a 10-day temporary tag and the elimination of the 10-day trip permit. Projected revenue is \$396,355 for FY 2015-16 and \$804,740 for FY 2016-17.

31 License Restoration Fee

Increases Highway Fund revenue by \$431,250 in FY 2015-16 and \$575,000 in FY 2016-17 based on the elimination of the license restoration fee transfer to the General Fund.

32 Special Registration Plate Account

Transfers \$1.10 million of special registration plate proceeds from the Special Registration Plate Account to the Roadside Vegetation Management Program within the Highway Fund in FY 2015-16 based on the elimination of formulaic transfers to the Department of Commerce and Department of Health and Human Services, effective October 1, 2015. Annualized Special Registration Plate Account receipts budgeted for the Roadside Vegetation Management Program total \$1.47 million.

33 Wildlife Resources

Reduces transfers to the Wildlife Resources Fund by \$120,524 in FY 2015-16 and \$116,409 in FY 2016-17 based on motor fuel tax distributional changes between the Highway Fund and Highway Trust Fund.

34 Shallow Draft Navigation Channel & Lake Dredging Fund

Increases the distribution of motor fuel tax revenue to the Shallow Draft Navigation Channel & Lake Dredging Fund to one percent (1.0%). Net adjustments total \$10.96 million in FY 2015-16 and \$10.39 million in FY 2016-17.

35 Noncommercial Leaking Petroleum Underground Storage Tank Cleanup Fund

Eliminates the transfer of motor fuel tax revenue to the Noncommercial Leaking Petroleum Underground Storage Tank Cleanup Fund effective July 1, 2016 and increases budgeted Highway Fund revenue by \$1.78 million in FY 2016-17.

Transfers

36 North Carolina State Ports Authority

Provides \$35.0 million recurring for modernization initiatives.

\$35,000,000 R \$35,000,000 R

37 General Fund

Eliminates the Highway Fund transfer for General Fund, non-tax revenue.

(\$215,871,719) R (\$215,871,719) R

38 Base Budget Adjustments to Other State Agencies

Adjusts the following transfers to other state agencies:
 - increases recurring funding for the Department of Revenue by \$1,313 in FY 2015-16 and \$6,322 in FY 2016-17 for collection of the Gasoline Inspection Fee;
 - increases recurring funding for the Department of Agriculture by \$5,283 for the administration of fuel inspections;
 - reduces recurring funding for the Department of Public Health by \$21,451 to match the base budget for the Alcohol Forensic Test Program; and,
 - increases recurring funding for the Motor Carrier Safety Program administered by the State Highway Patrol by \$23,072.

\$8,217 R \$13,226 R

Additionally, reduces budgeted receipts for the Department of Revenue, Fuel Tax Compliance by \$30,032 due to a reduction in rent expenses.

39 Continuation Reviews (Appropriated Transfers)

Converts FY 2015-16 funding to nonrecurring and eliminates the following transfers from the Highway Fund to other State agencies in FY 2016-17, pending the results of Continuation Reviews:
 Department of Public Safety (litter removal): \$9,040,000
 Office of State Controller: \$496,578
 Department of Insurance: \$158,000

(\$9,694,578) R (\$9,694,578) R
 \$9,694,578 NR

40 Continuation Review Reserve (Appropriated Transfers)

Establishes a reserve for programs funded via Highway Fund transfers which are subject to Continuation Review.

\$9,694,578 R

41 Continuation Review Reserve (Revenues)

Establishes a \$29.4 million (M) reserve for potential revenue in FY 2016-17 to reflect the elimination of the following revenue diversions to other State agencies, pending the results of Continuation Reviews:

- DENR - Commercial Leaking Underground Storage Tank Cleanup Fund (\$12.7M)
- DENR - Water and Air Quality Account (\$7.3M)
- DENR - Division of Air Quality, Inspection and Maintenance Fees (\$3.6M)
- DENR - Mercury Pollution Prevention Account (\$0.7M)
- DOI - Rescue Squad Workers Relief Fund (\$1.5M)
- DOI - Volunteer Rescue/EMS Fund (\$1.3M)
- Wildlife Resources Commission (\$2.3M)

Total Legislative Changes	(\$14,036,511)	R	\$63,264,025	R
	\$43,148,216	NR	\$14,113,199	NR
Total Position Changes	0.00		0.00	
Revised Budget	\$1,947,788,129		\$1,989,601,149	

Highway Trust Fund

**HIGHWAY TRUST
FUND**

	FY 15-16		FY 16-17	
Recommended Base Budget	\$1,162,046,663		\$1,162,046,663	

Legislative Changes

Construction

42 Strategic Transportation Investments	\$161,488,453	R	\$175,790,925	R
Modifies funding to Strategic Transportation Investments to \$1,179,455,486 in FY 2015-16 and \$1,193,757,958 in FY 2016-17.				

Debt

43 Adjustment for Debt Service Obligation	(\$10,995,116)	R	\$1,397,412	R
Adjusts the amount budgeted for debt service payments to accurately reflect the principal and interest due based on the current repayment schedule.				

Revenue Availability

44 Motor Fuel Excise Tax Distribution
Adjusts the distribution of motor fuel tax proceeds to the Highway Trust Fund from 25% to 29%, increasing funding in FY 2015-16 by \$76.29 million and in FY 2016-17 by \$73.80 million.

45 Division of Motor Vehicles (DMV) Fees
Increases forecasted revenue by \$16.18 million for FY 2015-16 and \$33.51 million for FY 2016-17 based on across-the-board adjustments to fees collected by the Division of Motor Vehicles.

46 Highway Use Tax Caps
Increases forecasted revenue by \$4.17 million in FY 2015-16 and \$10.0 million in FY 2016-17 based on the following adjustments to maximum highway use tax assessments:
 - Commercial vehicles (\$1,000 to \$2,000);
 - Recreational vehicles (\$1,500 to \$2,000); and,
 - Out-of-state vehicles (\$150 to \$250).

47 Noncommercial Leaking Petroleum Underground Storage Tank Cleanup Fund
Eliminates the transfer of motor fuel tax revenue to the Noncommercial Leaking Petroleum Underground Storage Tank Cleanup Fund effective July 1, 2016 and increases budgeted Highway Trust Fund revenue by \$0.73 million in FY 2016-17.

Total Legislative Changes	\$150,493,337	R	\$177,188,337	R
Total Position Changes				
Revised Budget	\$1,312,540,000		\$1,339,235,000	

Turnpike Authority

Budget Code: 64208

	FY 2015-16	FY 2016-17
Beginning Unreserved Fund Balance	\$0	\$0
Recommended Budget		
Requirements	\$86,299,540	\$86,299,540
Receipts	\$86,299,540	\$86,299,540
Positions	13.00	13.00

Legislative Changes

Requirements:

Adjustment to Debt Service	\$18,046,000 R	\$21,435,000 R
Adjusts the amount budgeted for debt service payments to accurately reflect the principal and interest due based on the current repayment schedule, as recommended by the Governor's Recommended Budget for FY 2015-17.	\$0 NR	\$0 NR
	0.00	0.00
Subtotal Legislative Changes	\$18,046,000 R	\$21,435,000 R
	\$0 NR	\$0 NR
	0.00	0.00

Receipts:

Adjustment for Debt Service	\$18,046,000 R	\$21,435,000 R
Adjusts the amount budgeted for debt service payments to accurately reflect the principal and interest due based on the current repayment schedule, as recommended by the Governor's Recommended Budget for FY 2015-17.	\$0 NR	\$0 NR
Subtotal Legislative Changes	\$18,046,000 R	\$21,435,000 R
	\$0 NR	\$0 NR

Conference Committee Report

	FY 2015-16	FY 2016-17
Revised Total Requirements	\$104,345,540	\$107,734,540
Revised Total Receipts	\$104,345,540	\$107,734,540
Change in Fund Balance	\$0	\$0
Total Positions	13.00	13.00
Unappropriated Balance Remaining	\$0	\$0

**Reserves,
Debt Service,
and
Adjustments
Section L**

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Statewide Reserves

GENERAL FUND

	FY 15-16	FY 16-17
Recommended Base Budget	\$133,048,054	\$133,048,054

Legislative Changes

A. Base Budget Adjustments

1 Salary Adjustment Fund	(\$7,500,000)	R	(\$7,500,000)	R
Adjusts the base budget to eliminate the Salary Adjustment Fund reserve. The funds within the reserve were distributed to adjust employee salaries and have been incorporated into the operating budgets of the affected agencies.				
2 Voter Information Verification Act	(\$1,000,000)	R	(\$1,000,000)	R
Adjusts the base budget to eliminate the Voter Information Verification Act reserve. The funds within this reserve were incorporated into the Board of Elections' FY 2015-17 base budget.				
3 Pending Legislation	(\$4,500,000)	R	(\$4,500,000)	R
Adjusts the base budget to eliminate recurring funding for the Pending Legislation reserve.				

B. Employee Salaries and Benefits

4 Salary Adjustment Fund	\$12,500,000	R	\$25,000,000	R
Provides funds to the Salary Adjustment Fund to be used to adjust salaries for job classifications in response to changes in the labor market as documented through data collection and analysis in accordance with accepted human resources practices and standards.				
5 OSHR Minimum of Market Adjustment			\$12,000,000	R
Provides funds to implement a new market-aligned salary structure for State agencies to adjust salaries in State job classifications where employee pay is below market value. These salary adjustments are to be made based on Office of State Human Resources analysis of the difference in current salary grades and new salary grades implemented during the compensation system update.				
6 Workers' Compensation Reserve	\$21,500,543	R	\$21,500,543	R
Provides funds for workers' compensation. The Office of State Budget and Management is to transfer \$2 million to the Office of State Human Resources to close existing workers' compensation claims. The recurring funds are to be distributed to agency workers' compensation line items to budget these expenses on a recurring basis. The allocation is to be based on average workers' compensation expenditures since FY 2012-13.				
	\$2,000,000	NR		
7 Reserve for Future Benefit Needs			\$71,000,000	R
Creates a General Fund reserve for increased contributions to existing employee benefits programs.				

C. Other Reserves

8 University of North Carolina System Enrollment Growth Reserve \$31,000,000 R

Proves funds for projected enrollment growth at the University of North Carolina System. Enrollment is expected to increase by 3,017 FTE students (1.5%) in FY 2016-17.

9 Public Schools Average Daily Membership (ADM) \$107,000,000 R

Provides additional funds for projected increases in allotted ADM and an additional 17,701 students in FY 2016-17 as compared to FY 2015-16. These funds are intended to cover projected multiple position, dollar, and categorical allotments.

Total allotted ADM for FY 2016-17 is 1,555,344.

10 Film and Entertainment Grant Fund

Provides funds to the Film and Entertainment Grant Fund established in G.S. 143B-437.02A, to encourage the production of motion pictures, television shows, and commercials and to develop the filmmaking industry within the State.

\$30,000,000 NR \$30,000,000 NR

11 Information Technology Reserve

Adjusts funding to properly align recurring spending with available funds and to provide additional nonrecurring funds to upgrade security, to acquire a new Department of Administration maintenance management system, and to improve law enforcement access to information. Total IT Reserve funding is \$21,320,843 in each year of the biennium.

\$3,596,642 R \$3,876,168 R
 (\$1,079,447) NR (\$1,358,973) NR

12 Information Technology Fund

Reduces the budget for miscellaneous operating items. The budget provides funding of \$21,681,854 in each year of the biennium to support the operation of the Department of Information Technology and to manage statewide information technology projects, as well as \$73,337 NR in the first year of the biennium for a \$750 one-time bonus for employees paid from the IT Fund.

(\$2,517,195) R (\$2,517,195) R
 \$73,337 NR

13 Budget Transparency Initiative

Provides \$814,000 NR to the Office of State Budget and Management (OSBM) (13085) to be used for the development and implementation of a State budget transparency website. This website will include budget and expenditure data for State agencies, counties, cities, and local education agencies.

\$814,000 NR

14 Job Development Investment Grants (JDIG)

Adjusts funding to reflect realignment of projected spending needs. Funding for JDIG is \$57,816,215 and \$71,728,126 respectively for the 2015-17 fiscal biennium.

(\$5,229,142) NR \$8,682,769 R

15 One North Carolina Fund

Reduces the budget to align funding to reflect projected spending needs for FY 2015-16. The recurring budget for the Fund remains \$9 million for FY 2016-17.

(\$2,004,024) NR

Statewide Reserves

D. Debt Service

16 Debt Service

\$25,000,000 R

Increases funding to reflect the potential issuance of General Obligation Bonds proposed in House Bill 943.

17 Debt Service Adjustment

(\$6,815,194) R (\$43,125,622) R

Adjusts debt service appropriations based on updated cash flow requirements.

Total Legislative Changes

\$15,264,796 R \$246,416,663 R

\$24,574,724 NR \$28,641,027 NR

Total Position Changes

Revised Budget

\$172,887,574 \$408,105,744

State Health Plan - Special

Budget Code: 23450

	FY 2015-16	FY 2016-17
Beginning Unreserved Fund Balance	\$258	\$258
Recommended Budget		
Requirements	\$225,311,373	\$225,311,373
Receipts	\$225,311,373	\$225,311,373
Positions	46.00	46.00

Legislative Changes

Requirements:

Agency Administration (2A10)	(\$7,757,973) R	(\$18,294,363) R
Adjusts the budgeted amounts for the Plan's other administrative costs to reflect a decline in fees required by the federal Affordable Care Act, new data and analytics positions, and adjustments due to new contracts, inflation, and membership changes.	\$0 NR 6.00	\$0 NR 6.00
Population Health Management (2A15)	(\$669,000) R	\$2,026,000 R
Adjusts the budgeted amount for Population Health Management Services contracts based on anticipated contractual costs, changes in membership, and new services.	\$0 NR 0.00	\$0 NR 0.00
Wellness Initiatives (2A20)	\$2,458,000 R	\$3,659,000 R
Adjusts the budgeted amount for Wellness Initiatives contracts based on on-going contracts, new programs, and growth in enrollment.	\$0 NR 0.00	\$0 NR 0.00
Medical Benefits Administration Contracts (2A25)	\$25,064,831 R	\$32,671,503 R
Adjusts the budgeted amounts for Third Party Administrative Services contracts based on newly effective contracts, changes in membership, and new programs.	\$0 NR 0.00	\$0 NR 0.00
Pharmacy Benefits Management Contract (2A30)	\$1,453,875 R	\$2,068,575 R
Adjusts the budgeted amount for the Pharmacy Benefits Management contract based on anticipated contractual costs and changes in membership.	\$0 NR 0.00	\$0 NR 0.00

Conference Committee Report

	FY 2015-16		FY 2016-17	
Subtotal Legislative Changes	\$20,549,733	R	\$22,130,715	R
	\$0	NR	\$0	NR
	6.00		6.00	

Receipts:

Adjusts Transfers from Trust Funds	\$20,549,733	R	\$22,130,715	R
Adjusts the amount of transfer from the Plan's health benefit trust fund budget codes to support administrative costs authorized for the 2015-17 fiscal biennium.	\$0	NR	\$0	NR
Subtotal Legislative Changes	\$20,549,733	R	\$22,130,715	R
	\$0	NR	\$0	NR

Revised Total Requirements	\$245,861,106		\$247,442,088	
Revised Total Receipts	\$245,861,106		\$247,442,088	
Change in Fund Balance	\$0		\$0	
Total Positions	52.00		52.00	

Unappropriated Balance Remaining	\$258		\$258	
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Capital Section M

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Capital

GENERAL FUND

FY 15-16

FY 16-17

Legislative Changes

A. Department of Agriculture and Consumer Services

1 Dorton Arena Roof Replacement

Funds the replacement of the Dorton Arena Roof at the State Fairgrounds in Raleigh.

\$2,305,000	NR		
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B. Department of Cultural Resources

2 USS North Carolina Hull Repair and Cofferdam

Provides additional funds to repair the USS North Carolina's hull and build a cofferdam. In FY 2014-15, \$3 million in General Funds were appropriated for this purpose. The funds will match donations raised by the Department.

\$3,500,000	NR		
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C. Department of Environment and Natural Resources

3 Water Resources Development

Provides funds for the State's share of Water Resource Development Projects. State funds will match \$44.4 million in federal funds and \$5.8 million in local funds.

\$5,083,000	NR		
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D. Department of Public Safety

4 Armory Facility and Development Projects

Provides State funds over the fiscal biennium to expand and renovate National Guard Armories and Facilities located throughout the State. These funds will match \$6.7 million in federal funds. Of these funds \$250,000 are to be held in reserve for a National Guard project described in a provision.

\$868,000	NR	\$5,087,500	NR
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E. North Carolina State University

5 Engineering Building Advance Planning

Provides funds for advance planning for an Engineering Building at North Carolina State University (NCSU). The building will complete the Engineering Oval Complex at NCSU and will house the Departments of Industrial and Systems Engineering and Civil, Construction, and Environmental Engineering. The College of Engineering Administration will also occupy the building. The total estimated cost of this project will be \$154 million, of which \$77 million will be matched with NCSU funds.

\$1,000,000	NR	\$1,000,000	NR
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F. School of Science and Mathematics

6 Technology Upgrades and Building Repair

Provides funds for connectivity improvements, upgrades for up to 5 distance education centers, and repairs and renovations for the School of Science and Mathematics in Durham.

\$4,000,000 NR

Total Appropriation to Capital

\$16,756,000 NR

\$6,087,500 NR

**Information
Technology Services
Section N**

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Information Technology Fund

Budget Code: 24667

	FY 2015-16	FY 2016-17
Beginning Unreserved Fund Balance	\$11,154,563	\$11,154,563
Recommended Budget		
Requirements	\$24,199,049	\$24,199,049
Receipts	\$24,199,049	\$24,199,049
Positions	95.75	95.75

Legislative Changes

Requirements:

Criminal Justice Information Network (CJIN) (2705)	\$0	R	\$0	R
Maintains funding for the Criminal Justice Information Network (CJIN) at \$193,085 for each year of the biennium. The CJIN is a statewide criminal justice infrastructure that allows the sharing of information between State and local criminal justice agencies.	\$0	NR	\$0	NR
	0.00		0.00	
 Center for Geographic Information and Analysis (CGIA) (2715)	 \$0	 R	 \$0	 R
Provides \$503,810 for the Center for Geographic Information and Analysis (CGIA) in each year of the biennium. This includes \$67,858 to address a shortfall in funding for enterprise licensing for Environmental Services Research Institute software. CGIA is the lead agency for geographic information systems (GIS) services and GIS coordination for North Carolina, providing GIS services to State and local governments.	\$0	NR	\$0	NR
	0.00		0.00	
 Enterprise Security and Risk Management Office (2720)	 \$0	 R	 \$0	 R
Maintains funding for the Enterprise Security and Risk Management Office at \$871,497 for both years of the biennium. The Enterprise Security and Risk Management Office is responsible for the development, delivery, and maintenance of an information security and risk management program that safeguards the State's information assets and the supporting infrastructure against unauthorized use, disclosure, modification, damage, or loss.	\$0	NR	\$0	NR
	0.00		0.00	

Conference Committee Report

	FY 2015-16		FY 2016-17	
Staffing and Strategic Projects (2725)	\$0	R	\$0	R
Funds Staffing and Strategic Projects at \$7,873,903 in each year of the biennium, including an additional \$300,000 to provide operating funding for the Department of Information Technology's Plan and Build functions.	\$0	NR	\$0	NR
	0.00		0.00	
FirstNet (2735)	\$0	R	\$0	R
Provides \$140,000 in the each year of the biennium to provide a match for federal funding to support FirstNet development. FirstNet is a federal effort to build, operate and maintain the first high-speed, nationwide wireless broadband network dedicated to public safety. FirstNet will provide a single interoperable platform for emergency and daily public safety communications.	\$0	NR	\$0	NR
	0.00		0.00	
Enterprise Project Management Office (2740)	\$0	R	\$0	R
Maintains funding for the Enterprise Project Management Office (EPMO) at \$1,501,234. The EPMO was established to improve the management of IT projects in State government.	\$0	NR	\$0	NR
	0.00		0.00	
IT Strategy and Standards (2750)	\$0	R	\$0	R
Maintains funding of \$865,326 in both years of the biennium for the Office of Enterprise Architecture. The Office acts as a strategic planner and architect for the State's IT programs and is responsible for formulating and advancing a vision for those programs.	\$0	NR	\$0	NR
	0.00		0.00	
State Portal (2760)	\$0	R	\$0	R
Maintains funding for the State portal at \$233,510 in both years of the biennium to support the current State web site and Digital Commons efforts within the Department of Information Technology.	\$0	NR	\$0	NR
	0.00		0.00	
Enterprise Licensing (2780)	\$0	R	\$0	R
Eliminates \$33,000 for enterprise license agreements in each year of the biennium. Funding for enterprise licensing agreements is maintained in the IT Internal Service Fund.	\$0	NR	\$0	NR
	0.00		0.00	
IT Consolidation (2790)	\$0	R	\$0	R
Eliminates funding for IT Consolidation. Funding for consolidation is provided in the IT Reserve Fund, with the transition to the Department of Information Technology.	\$0	NR	\$0	NR
	0.00		0.00	

Conference Committee Report

	FY 2015-16		FY 2016-17	
Government Data Analytics Center (GDAC) (2795)	\$0	R	\$0	R
Maintains funding for the Government Data Analytics Center (GDAC) at \$9,101,255 in each year of the biennium. The GDAC is an enterprise program to promote the use of North Carolina's data as an asset to support business decisions. The GDAC fosters interagency collaboration among and between the branches of governments and their sub-units to establish statewide business intelligence (BI) standards, to improve data sharing, quality and consistency and facilitate the identification, development and support of BI solutions for the State.	\$0	NR	\$0	NR
	0.00		0.00	
Adjustment to IT Fund	(\$2,517,195)	R	(\$2,517,195)	R
Adjusts the IT Fund to reflect a transfer to the IT Reserve in each year of the biennium.	\$0	NR	\$0	NR
	0.00		0.00	
Compensation Reserve	\$0	R	\$0	R
Provides funds for a \$750 one-time bonus for State employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes.	\$73,337	NR	\$0	NR
	0.00		0.00	
Subtotal Legislative Changes	(\$2,517,195)	R	(\$2,517,195)	R
	\$73,337	NR	\$0	NR
	0.00		0.00	

Receipts:

Adjustment to IT Fund	(\$2,517,195)	R	(\$2,517,195)	R
Transfers \$2,517,195 from the IT Fund to the IT Reserve in each year of the biennium.	\$0	NR	\$0	NR
Compensation Reserve	\$0	R	\$0	R
Provides funds for a \$750 one-time bonus for State employees. This bonus shall not be considered part of an employee's annual salary or base rate of pay for retirement purposes.	\$73,337	NR	\$0	NR

Conference Committee Report

	FY 2015-16		FY 2016-17	
Subtotal Legislative Changes	(\$2,517,195)	R	(\$2,517,195)	R
	\$73,337	NR	\$0	NR
<hr/>				
Revised Total Requirements	\$21,755,191		\$21,681,854	
Revised Total Receipts	\$21,755,191		\$21,681,854	
Change in Fund Balance	\$0		\$0	
Total Positions	95.75		95.75	
<hr/>				
Ending Unreserved Fund Balance	\$11,154,563		\$11,154,563	

Information Technology Reserve Fund

Budget Code: 00000

	FY 2015-16	FY 2016-17
Beginning Unreserved Fund Balance	\$0	\$0
Recommended Budget		
Requirements	\$18,803,648	\$18,803,648
Receipts	\$18,803,648	\$18,803,648
Positions	0.00	0.00

Legislative Changes

Requirements:

IT Modernization	\$0	R	\$0	R
Provides \$4,734,391 R in FY 2015-16 and \$5,061,592 R in FY 2016-17, as well as \$3,393,600 NR in FY 2015-16 and \$3,000,000 NR in FY 2016-17 to support the State's IT modernization efforts. This will enable the State CIO to improve secure sign-on and mobile web capabilities, and includes \$406,374 R in each year of the biennium, plus \$18,600 NR in FY 2015-16, for 3 security positions in the Department of Revenue. These include a Security Design Engineer, a Security Impact Specialist, and a Security Specialists. Funding is provided for 6 new positions, including 4 Business Technology Analysts and 2 Business System Analysts. Funding will also support the transfer of Office of the State CIO positions from the IT Internal Service Fund to the IT Fund. Positions will be transferred as follows:	\$0	NR	\$0	NR
	17.00		18.00	

FY 2015-16

- 60087223 State Chief Information Officer
- 60087293 Executive Assistant
- 60087581 Legislative Affairs/Program Coordinator
- 60093454 Director of Public Affairs
- 60087551 Information & Communications Specialist II
- 60087645 Agency General Counsel II
- 60087635 Chief Information Risk Officer
- 65020068 Information and Communications Specialist

FY 2016-17

- 60087248 Director of Digital Infrastructure

	FY 2015-16		FY 2016-17	
NC Connect/Digital Infrastructure	\$0	R	\$0	R
Provides \$593,899 for 3.63 positions in FY 2015-16, an IT Manager, and IT Project Manager, a Business and Technology Specialist, and partial funding for a Network Specialist. Funding is increased in FY 2016-17 to \$788,503 to add 1.37 additional positions, to include full funding for a Network Specialist and a Project Manager.	\$0	NR	\$0	NR
	3.63		5.00	
IT Restructuring	\$0	R	\$0	R
Provides IT Restructuring funding of \$3,537,299 in FY 2015-16 and \$3,740,927 in FY 2016-17. This funding supports the planning and implementation for the Department of Information Technology.	\$0	NR	\$0	NR
	0.00		0.00	
Maintenance Management System Replacement	\$0	R	\$0	R
Transfers \$173,180 NR in FY 2015-16 and \$129,901 R in FY 2016-17 to the Department of Administration to support the acquisition and operation of a cloud-based maintenance management system that will provide maintenance, inventory, and utility management functions. Provides funding to support the acquisition and operation of 3 modules for a cloud-based maintenance management system. These include system failure alerts, utility bill automation, and mobile maintenance management applications.	\$0	NR	\$0	NR
	0.00		0.00	
Law Enforcement Information Exchange	\$0	R	\$0	R
Provides \$288,474 NR in FY 2015-16 to fund the mapping of law enforcement agency records management systems to facilitate the exchange of data with the Law Enforcement Information Exchange.	\$0	NR	\$0	NR
	0.00		0.00	
Economic Modeling Initiative	\$0	R	\$0	R
Provides funding of \$500,000 NR in each year of the biennium to support the development of a State economic development modeling capability at the University of North Carolina Charlotte. This initiative will support State agencies involved in economic development and growth efforts.	\$0	NR	\$0	NR
	0.00		0.00	
Process Management (2775)	\$0	R	\$0	R
Maintains funding of \$398,234 in both years of the biennium to support the standardization of information technology processes and services.	\$0	NR	\$0	NR
	0.00		0.00	

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	FY 2015-16		FY 2016-17	
Government Data Analytics Center	\$0	R	\$0	R
Provides \$8.1 million R to support the operation of the Government Data Analytics Center (GDAC).	\$0	NR	\$0	NR
	0.00		0.00	
Adjustment to IT Reserve	\$2,517,195	R	\$2,517,195	R
Adjusts the IT Reserve to reflect a transfer from the IT Fund in each year of the biennium.	\$0	NR	\$0	NR
	0.00		0.00	
Subtotal Legislative Changes	\$2,517,195	R	\$2,517,195	R
	\$0	NR	\$0	NR
	20.63		23.00	

Receipts:

Adjustment to IT Reserve	\$2,517,195	R	\$2,517,195	R
Adjusts the IT Reserve to reflect a transfer from the IT Fund in each year of the biennium.	\$0	NR	\$0	NR
Subtotal Legislative Changes	\$2,517,195	R	\$2,517,195	R
	\$0	NR	\$0	NR

Revised Total Requirements	\$21,320,843		\$21,320,843	
Revised Total Receipts	\$21,320,843		\$21,320,843	
Change in Fund Balance	\$0		\$0	
Total Positions	20.63		23.00	

Ending Unreserved Fund Balance	\$0		\$0	
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Information Technology Internal Service Fund

Budget Code: 74660

	FY 2015-16	FY 2016-17
Beginning Unreserved Fund Balance	\$24,517,058	\$24,517,058
Recommended Budget		
Requirements	\$186,223,437	\$189,000,000
Receipts	\$186,223,437	\$189,000,000
Positions	500.00	499.50

Legislative Changes

Requirements:

FirstNet	\$0	R	\$0	R
Adjusts the IT Internal Service Fund requirements to reflect federal grant funding for the biennium for FirstNet.	\$1,086,094	NR	\$0	NR
	0.00		0.00	
Adjustment for Position Transfers	\$0	R	\$0	R
Adjusts the IT Internal Service Fund to reflect the transfer of State Chief Information Officer positions from the IT Internal Service Fund to the IT Fund.	\$0	NR	\$0	NR
	-8.00		-9.00	
Subtotal Legislative Changes	\$0	R	\$0	R
	\$1,086,094	NR	\$0	NR
	-8.00		-9.00	

Receipts:

FirstNet	\$0	R	\$0	R
Adjusts receipts to the IT Internal Service fund to reflect federal grant funding for FirstNet.	\$1,086,094	NR	\$0	NR
Subtotal Legislative Changes	\$0	R	\$0	R
	\$1,086,094	NR	\$0	NR

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	FY 2015-16	FY 2016-17
Revised Total Requirements	\$187,309,531	\$189,000,000
Revised Total Receipts	\$187,309,531	\$189,000,000
Change in Fund Balance	\$0	\$0
Total Positions	492.00	490.50
Ending Unreserved Fund Balance	\$24,517,058	\$24,517,058