

**SENATE APPROPRIATIONS/BASE**  
**BUDGET COMMITTEE**

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

**House Bill 950**  
**Proposed Senate Committee Substitute**

**June 12<sup>th</sup>, 2012**



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**General Fund Availability Statement****FY 2012-13**

1	Unappropriated Balance Remaining	41,232,325
2	Anticipated Overcollections from FY 2011-12	232,500,000
3	Anticipated Reversions for FY 2011-12	205,500,000
4	Net Supplemental Medicaid Appropriation (S.L. 2012-2; SB 797)	(154,000,000)
5	Less Earmarkings of Year End Fund Balance	
6	Savings Reserve Account	(139,339,925)
7	Repairs and Renovations Reserve Account	(39,339,925)
8	<b>Beginning Unreserved Fund Balance</b>	<b>146,552,475</b>
9		
10	<b>Revenue Based on Existing Tax Structure</b>	<b>18,931,200,000</b>
11		
12	<b>Non-tax Revenue</b>	
13	Investment Income	21,600,000
14	Judicial Fees	258,700,000
15	Disproportionate Share	115,000,000
16	Insurance	73,700,000
17	Other Non-tax Revenues	304,400,000
18	Highway Trust Fund Transfer	27,600,000
19	Highway Fund Transfer	212,280,000
20	<b>Total - Non-Tax Revenues</b>	<b>1,013,280,000</b>
21		
22	<b>Subtotal General Fund Availability</b>	<b>20,091,032,475</b>
23		
24	<b>Adjustments to Availability: 2012 Session</b>	
25	E-Commerce Reserve Cash Balance	2,470,642
26	One North Carolina Fund Cash Balance	50,000,000
27	Sale of State Assets Receipt	(25,000,000)
28	Information Technology Internal Service Fund Cash Balance	14,000,000
29	National Mortgage Settlement	9,610,000
30	Highway Fund Transfer - Technical Adjustment	8,000,000
31	Work Opportunity Tax Credit Extension	(800,000)
32		
33	<b>Subtotal Adjustments to Availability:</b>	<b>58,280,642</b>
34		
35	<b>Revised Total General Fund Availability</b>	<b>20,149,313,117</b>
36	<b>Less General Fund Appropriations</b>	<b>20,149,313,117</b>
37		
38	<b>Balance Remaining</b>	<b>0</b>

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**SUMMARY:**

**GENERAL FUND  
APPROPRIATIONS**

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SUMMARY OF GENERAL FUND APPROPRIATIONS						
Fiscal Year 2012-13						
		Legislative Adjustments				Revised
	2011 Approved Budget	Recurring Adjustments	Nonrecurring Adjustments	Net Changes	FTE Changes	Appropriation 2012-13
<b><u>Education</u></b>						
Community Colleges	985,000,000	(4,177,523)	0	(4,177,523)	0.00	980,822,477
Public Education	7,444,122,100	34,142,118	0	34,142,118	0.00	7,478,264,218
University System	2,551,672,698	29,756,254	(5,710,783)	24,045,471	244.90	2,575,718,169
<b>Total Education</b>	<b>10,980,794,798</b>	<b>59,720,849</b>	<b>(5,710,783)</b>	<b>54,010,066</b>	<b>244.90</b>	<b>11,034,804,864</b>
<b><u>Health and Human Services</u></b>						
Central Management and Support	44,577,987	(28,697,345)	0	(28,697,345)	0.00	15,880,642
Aging and Adult Services	37,019,667	10,300,000	25,000,000	35,300,000	0.00	72,319,667
Blind and Deaf / Hard of Hearing Services	8,372,886	0	0	0	0.00	8,372,886
Child Development	266,102,933	0	(10,000,000)	(10,000,000)	0.00	256,102,933
Health Service Regulation	16,133,031	0	0	0	0.00	16,133,031
Medical Assistance	2,907,276,302	176,668,118	52,906,924	229,575,042	0.00	3,136,851,344
Mental Health, Dev. Disabilities and Sub. Abuse	710,712,232	3,472,954	(227,000)	3,245,954	373.10	713,958,186
NC Health Choice	83,717,865	0	0	0	0.00	83,717,865
Public Health	157,538,834	5,077,450	0	5,077,450	53.05	162,616,284
Social Services	186,183,068	0	0	0	0.00	186,183,068
Vocational Rehabilitation	37,528,128	0	0	0	0.00	37,528,128
<b>Total Health and Human Services</b>	<b>4,455,162,933</b>	<b>166,821,177</b>	<b>67,679,924</b>	<b>234,501,101</b>	<b>426.15</b>	<b>4,689,664,034</b>
<b><u>Justice and Public Safety</u></b>						
Public Safety	1,694,715,876	(30,437,508)	(5,000,000)	(35,437,508)	14.92	1,659,278,368
Judicial Department	435,141,107	(4,279,349)	0	(4,279,349)	44.00	430,861,758
Judicial - Indigent Defense	112,748,733	0	0	0	0.00	112,748,733
Justice	80,864,138	(3,375,063)	(3,000,000)	(6,375,063)	(17.00)	74,489,075
<b>Total Justice and Public Safety</b>	<b>2,323,469,854</b>	<b>(38,091,920)</b>	<b>(8,000,000)</b>	<b>(46,091,920)</b>	<b>41.92</b>	<b>2,277,377,934</b>

SUMMARY OF GENERAL FUND APPROPRIATIONS						
Fiscal Year 2012-13						
		Legislative Adjustments				Revised
	2011 Approved Budget	Recurring Adjustments	Nonrecurring Adjustments	Net Changes	FTE Changes	Appropriation 2012-13
<b><u>Natural and Economic Resources</u></b>						
Agriculture and Consumer Services	62,198,634	45,794,624	0	45,794,624	514.06	107,993,258
Commerce	33,250,463	(449,410)	12,500,000	12,050,590	2.00	45,301,053
Commerce - State Aid	30,151,984	(2,829,040)	(14,000)	(2,843,040)	0.00	27,308,944
Environment and Natural Resources	148,148,105	(41,893,545)	0	(41,893,545)	(429.07)	106,254,560
Clean Water Mgmt. Trust Fund	11,250,000	0	0	0	0.00	11,250,000
Labor	15,836,887	(316,738)	0	(316,738)	0.00	15,520,149
NC Biotechnology Center	17,551,710	(351,034)	0	(351,034)	0.00	17,200,676
Rural Economic Development Center	25,376,729	(7,007,535)	0	(7,007,535)	0.00	18,369,194
Wildlife Resources Commission	17,221,179	434,397	0	434,397	0.00	17,655,576
<b>Total Natural and Economic Resources</b>	<b>360,985,691</b>	<b>(6,618,281)</b>	<b>12,486,000</b>	<b>5,867,719</b>	<b>86.99</b>	<b>366,853,410</b>
<b><u>General Government</u></b>						
Administration	66,353,073	(1,327,061)	420,000	(907,061)	0.00	65,446,012
Auditor	10,676,035	(213,521)	0	(213,521)	0.00	10,462,514
Cultural Resources	61,697,001	(1,233,940)	0	(1,233,940)	0.00	60,463,061
Cultural Resources - Roanoke Island Comm.	1,203,491	(24,070)	0	(24,070)	0.00	1,179,421
General Assembly	50,104,208	3,684,977	(2,114,555)	1,570,422	31.60	51,674,630
Governor	4,741,157	(94,823)	0	(94,823)	0.00	4,646,334
Housing Finance Agency	9,673,051	(187,879)	(7,876,755)	(8,064,634)	0.00	1,608,417
Insurance	36,393,921	(73,550)	0	(73,550)	0.00	36,320,371
Insurance - Worker's Compensation Fund	2,623,654	0	0	0	0.00	2,623,654
Lieutenant Governor	695,324	(144,150)	0	(144,150)	0.00	551,174
Office of Administrative Hearings	4,142,258	(82,845)	0	(82,845)	0.00	4,059,413
Revenue	78,199,538	(1,563,991)	0	(1,563,991)	0.00	76,635,547
Secretary of State	10,654,563	(213,091)	0	(213,091)	0.00	10,441,472
State Board of Elections	5,126,603	(102,532)	563,936	461,404	0.00	5,588,007
State Budget and Management (OSBM)	5,848,663	(116,973)	0	(116,973)	0.00	5,731,690
OSBM - Special Appropriations	440,612	(391,612)	330,000	(61,612)	0.00	379,000
State Controller	28,368,957	(567,379)	1,347,397	780,018	0.00	29,148,975
Treasurer - Operations	6,621,750	0	0	0	0.00	6,621,750
Treasurer - Fire/Rescue Retirement	17,812,114	0	0	0	0.00	17,812,114
<b>Total General Government</b>	<b>401,375,973</b>	<b>(2,652,440)</b>	<b>(7,329,977)</b>	<b>(9,982,417)</b>	<b>31.60</b>	<b>391,393,556</b>

SUMMARY OF GENERAL FUND APPROPRIATIONS						
Fiscal Year 2012-13						
		Legislative Adjustments				Revised
	2011 Approved Budget	Recurring Adjustments	Nonrecurring Adjustments	Net Changes	FTE Changes	Appropriation 2012-13
<b><u>Debt Service and Statewide Reserves</u></b>						
<b>Debt Service:</b>						
Interest / Redemption	759,984,974	(52,904,635)	0	(52,904,635)	0.00	707,080,339
Federal Reimbursement	1,616,380		0	0	0.00	1,616,380
<b>Subtotal Debt Service</b>	<b>761,601,354</b>	<b>(52,904,635)</b>	<b>0</b>	<b>(52,904,635)</b>		<b>708,696,719</b>
<b>Statewide Reserves:</b>						
Contingency and Emergency Fund	5,000,000			0	0.00	5,000,000
Information Technology Fund	6,158,142	0	(750,000)	(750,000)	0.00	5,408,142
Job Development Investment Grants (JDIG)	27,400,000	0	(6,500,000)	(6,500,000)	0.00	20,900,000
State Retirement System Contributions	336,000,000	0	0	0	0.00	336,000,000
Judicial Retirement System Contribution	7,800,000	100,000	0	100,000	0.00	7,900,000
Firemen & Rescue Squad Workers Pension Fund	5,366,928	0	0	0	0.00	5,366,928
State Health Plan	102,151,104	0	0	0	0.00	102,151,104
Continuation/Justification Review Reserve	35,576,758	0	(35,576,758)	(35,576,758)	0.00	0
Compensation and Performance Pay Reserve	121,105,840	(121,105,840)		(121,105,840)	0.00	0
Reserve for Compensation Increases and Personnel Flexibility	0	159,984,426	0	159,984,426	0.00	159,984,426
Disability Income Plan of North Carolina	0	(8,688,000)	0	(8,688,000)	0.00	(8,688,000)
Automated Fraud Detection Development	7,000,000	0	0	0	0.00	7,000,000
Controller - Fraud Detection Development	500,000	0	0	0	0.00	500,000
One North Carolina Fund	0	9,000,000	0	9,000,000	0.00	9,000,000
VIPER Reserve	0	0	25,000,000	25,000,000	0.00	25,000,000
<b>Subtotal Statewide Reserves</b>	<b>654,058,772</b>	<b>39,290,586</b>	<b>(17,826,758)</b>	<b>21,463,828</b>		<b>675,522,600</b>
<b>Total Reserves and Debt Service</b>	<b>1,415,660,126</b>	<b>(13,614,049)</b>	<b>(17,826,758)</b>	<b>(31,440,807)</b>		<b>1,384,219,319</b>
<b>Total General Fund for Operations</b>	<b>19,937,449,375</b>	<b>165,565,336</b>	<b>41,298,406</b>	<b>206,863,742</b>	<b>831.56</b>	<b>20,144,313,117</b>

SUMMARY OF GENERAL FUND APPROPRIATIONS						
Fiscal Year 2012-13						
		Legislative Adjustments				Revised
	2011 Approved Budget	Recurring Adjustments	Nonrecurring Adjustments	Net Changes	FTE Changes	Appropriation 2012-13
<b>Capital Improvements</b>						
Water Resources Development Projects	0	0	0	5,000,000	0.00	5,000,000
<b>Total Capital Improvements</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,000,000</b>	<b>0</b>	<b>5,000,000</b>
<b>Total General Fund Budget</b>	<b>19,937,449,375</b>	<b>165,565,336</b>	<b>41,298,406</b>	<b>211,863,742</b>	<b>831.56</b>	<b>20,149,313,117</b>

# **EDUCATION**

## **Section F**

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## Public Education

GENERAL FUND

Total Budget Approved 2011 Session

FY 12-13  
\$7,444,122,100

### Budget Changes

#### A. Technical Adjustments

**1 Average Teacher Salary** (\$85,670,329) R

Revises budgeted funding for certified personnel salaries based on actual salary data from December 2011. 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.

**2 Average Daily Membership** (\$6,423,088) R

Revises projected ADM for FY 2012-13 to reflect 2,084 fewer students than originally projected. The adjustment includes revisions to all position, dollar, and categorical allotments.

Total allotted ADM for FY 2012-13 is 1,492,793, an increase of 11,802 students over FY 2011-12.

#### B. Other Public School Funding Adjustments

**3 LEA Adjustment Reduction** \$74,076,032 R

Eliminates the budgeted increase to the LEA Adjustment in FY 2012-13. The State Board of Education shall distribute the remainder of this reduction to all LEAs and charter schools on the basis of ADM. LEAs and charters will then be responsible for identifying budget reductions in order to meet their share of the LEA Adjustment.

#### D. Department of Public Instruction

**4 Residential Schools** \$4,500,000 R

Restores funds to operate all three Residential Schools. None of the Residential Schools shall be closed. The Department of Public Instruction is strongly encouraged to maximize the use of all three facilities to generate receipts to further defray General Fund reductions to program operations.

Senate Subcommittee on Education

**FY 12-13**

**5 Governor's Schools**

\$800,000 R

Provides funding for this program that supports summer enrichment activities for talented high school students.

**6 Liability Insurance for Public School Personnel**

(\$555,000) R

The actual cost of securing the statewide liability insurance policy in school year 2011-12 was less than the appropriation. This reduction better aligns the appropriation with projected costs.

**E. Excellent Public Schools Act**

**7 Excellent Public Schools Act**

\$47,414,503 R

Provides full support for the first-year implementation of S.B. 795, the Excellent Public Schools Act.

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**Budget Changes**

**\$34,142,118 R**

**Total Position Changes**

**Revised Total Budget**

**\$7,478,264,218**

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## Community Colleges

GENERAL FUND

Total Budget Approved 2011 Session

FY 12-13  
\$985,000,000

## Budget Changes

## A. Technical Adjustments

## 8 Enrollment Growth Adjustments

(\$12,108,704) R

Adjusts funds for FY 2012-13 based on the estimated decline in community college enrollment.

According to the FY 2011-12 spring enrollment census, enrollment has declined by 1.1% (2,663 full-time-equivalent students or FTE) from the FY 2011-12 budgeted enrollment of 251,017 and by 2.5% (6,335 FTE) from the current budgeted enrollment for FY 2012-13.

Total requirements will be reduced by \$31,705,796. Of this reduction, \$19,597,092 is due to revised tuition and fee revenue estimates based on the new enrollment estimates.

## 9 NC Community College Grant Program Adjustment

\$165,000 R

Makes a technical adjustment to the General Fund funding for the NC Community College Grant, a need-based scholarship program for community college students. This will be offset by an equal reduction in funding from the Escheat Fund.

## B. Other Community College Funding Adjustments

## 10 Management Flexibility Reduction

\$7,766,181 R

Eliminates the budgeted increase to the management flexibility reduction for FY 2012-13. The State Board of Community Colleges shall distribute the remaining reduction accounting for the unique needs of each college.

## Budget Changes

(\$4,177,523) R

## Total Position Changes

## Revised Total Budget

\$980,822,477

## UNC System

GENERAL FUND

Total Budget Approved 2011 Session

FY 12-13

\$2,551,672,698

## Budget Changes

## A. Technical Adjustments

## 11 Enrollment Adjustments

\$1,376,061 R

Funds projected enrollment growth for FY 2012-13 at the University of North Carolina. This \$1.4 million net increase consists of projected enrollment increases of \$17,434,805 and a reduction of \$16,058,744 to adjust for campuses whose enrollment is projected to be less than what is currently budgeted. The Board of Governors shall determine the allocations by campus.

## B. Reserves for New and Renovated Facilities

## 12 Building Reserves

\$6,802,285 R

Provides funds to operate new or renovated UNC buildings that will be completed in FY 2012-13. Specifically, funds are for the housekeeping, maintenance, and security requirements for the added building square footage.

\$2,263,358 NR  
101.90

## 13 NCSU Centennial Campus Library Operational and Program Funds

\$2,000,000 R

Provides operating and program funds for a new library that will open in FY 2012-13 on NCSU's Centennial Campus. The library will serve as a second "main library" for NCSU to help ease overcrowding in the D.H. Hill Library on the school's North Campus. The appropriation includes funds for 27 additional FTE.

27.00

## 14 Joint School of Nanoscience &amp; Nanoengineering Operational and Program Funds

\$2,000,000 R

Funds the NC A&T/UNC-G Joint School of Nanoscience and Nanoengineering located in the Gateway University Research Park in Greensboro. The program is designed to conduct research in areas such as drug design and delivery, nanobioengineering, and genetic screening.

(\$1,000,000) NR

Specifically, the budget provides an additional \$1 million in recurring funding and converts an existing \$1 million nonrecurring appropriation to recurring.

**C. Other UNC Funding Adjustments****15 Faculty Recruiting and Retention Fund**

\$3,000,000 R

Provides funding for the Faculty Recruiting and Retention Fund, which the General Assembly created in S.L. 2006-66, Sec. 22.12A, to offer salary increases to recruit and retain faculty members. This appropriation increases the Fund's total recurring budget to \$13 million.

**16 Management Flexibility Reduction**

\$9,184,767 R

Eliminates the budgeted increase to the management flexibility reduction for FY 2012-13. The University of North Carolina Board of Governors shall allocate this reduction according the terms of S.L. 2011-145, Sec. 9.6.

**17 Center for Public Television**

\$10,558,141 R

Restores funding for the Center for Public Television, which was subject to a Continuation Review in FY 2011-12.

116.00

**D. Need-based Student Financial Aid****18 UNC Need-based Financial Aid Program**

(\$5,165,000) R

Adjust the General Fund appropriation for the UNC Need-based Financial Aid program to account for corresponding increases in funding from the Escheat Fund and the Lottery Fund.

(\$6,974,141) NR

In addition to the increases described above, an additional \$35 million is appropriated for this program from the Lottery Fund in Section 5.3. Total funding for the UNC Need-based Financial Aid program from all sources will be \$157,475,842, which is \$35 million more than originally budgeted.

**Budget Changes**

\$29,756,254 R

(\$5,710,783) NR

**Total Position Changes**

244.90

**Revised Total Budget**

\$2,575,718,169

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**HEALTH  
&  
HUMAN SERVICES  
Section G**

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## Health and Human Services

GENERAL FUND

FY 12-13

Total Budget Approved 2011 Session

\$4,455,162,933

## Budget Changes

## ( 1.0) Division of Medical Assistance

**1 Pharmacy Savings - 340B Pricing Program**

(\$1,391,906) R

Reduces funds based upon savings from increased utilization of the federal 340B pricing program for hemophilia pharmaceuticals. The 340B program allows clinics and other facilities to purchase these prescription drugs at a reduced cost.

**2 Medicaid Rebase**

\$168,676,461 R

Provides additional funds for the Medicaid program based upon projected growth in number of people eligible for Medicaid and growth in consumption.

**3 Federal Repayment of 2009 Federal Overdraw of Funds**

\$31,300,776 NR

Provides funding to repay the federal government due to an erroneous federal draw down for the Medicaid program. FY 2012-13 will be the final year in which quarterly payments are due and satisfies this obligation to the federal government.

**4 Federal Drug Rebate Payment**

\$24,606,148 NR

Provides funding to pay the amount owed to the federal government as a result of a 2010 federal policy change related to drug rebates.

**5 Managed Care Organizations Schedule Delays**

\$11,000,000 NR

Provides necessary funds due to the delayed state-wide expansion of the Medicaid behavioral health 1915 b/c waiver sites (S.L. 2011-264). The loss is based upon changes to the implementation schedule as reported by the Division of Medical Assistance. In FY12-13, LMEs will convert to Managed Care Organizations (MCOs) and will receive capitated Medicaid funding to purchase mental health, developmental disabilities, and substance abuse services for eligible persons living within the LME coverage areas.

## Senate Subcommittee on Health and Human Services

<b>FY 12-13</b>
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### **6 Restructure Fee for Service Payments**

(\$1,976,636) R

Revises payment structures for various services provided within the Medicaid program. These changes will result in bundling of payments for services based upon a period of time or a diagnosis instead of fee-for-service.

### **7 Revise Medicaid Pharmacy Dispensing Fees**

(\$2,639,801) R

Reduces funds paid to pharmacies to dispense prescription drugs. This reduction lowers the tiered fee structure for dispensing generic prescriptions and reduces the brand prescription dispensing fee by \$1.00.

### **8 CHIPRA Bonus**

(\$14,000,000) NR

Reduces Medicaid funds in anticipation of receiving the FY12-13 federal Children's Health Insurance Program Reauthorization Act (CHIPRA) bonus for Health Choice enrollment growth.

### **9 Medicaid Contracts**

\$5,000,000 R

Provides funding for Medicaid contracts, including claims processing, prior authorization, and various studies.

### **10 Medicaid Settlements**

\$15,000,000 R

Provides funding for Medicaid cost settlements with various providers and fraud, waste, and abuse prevention initiatives.

### **11 Personal Care Services (PCS)**

(\$6,000,000) R

Budgets reduced Medicaid cost as a result of changing the eligibility criteria for personal care services (PCS) to needing assistance with two or more activities of daily living (ADL).

## **( 2.0) Division of Child Development and Early Education**

### **12 Block Grant Funding**

(\$10,000,000) NR

Provides federal block grant funds for the Smart Start Program. This continues similar actions taken by the Office of State Budget and Management during FY 2011-12 in which \$4 million of Smart Start funds were replaced by \$4 million of Block Grant funds.



**( 5.0) Division of Central Management and Support****13 DIRM Contracts**

\$5,599,390 R

Restores recurring State General Fund Appropriations for the Division of Information Resources Management (DIRM) for various contracts for Department-wide IT services. S.L. 2011-145 eliminated the recurring funds for this purpose pending the findings and recommendations from a continuation review.

**14 Management Flexibility**

(\$34,296,735) R

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

**( 7.0) Division of Aging and Adult Services****15 Transition to Community Living**

\$10,300,000 R

Establishes a reserve fund, Transitions to Community Living Fund, to facilitate implementation of the plan to transition individuals with severe mental illness to community living arrangements, including establishing a rental assistance program.

**16 Temporary Short-term Assistance**

\$25,000,000 NR

Establishes a reserve fund for the implementation of the State's plan to provide temporary, short-term assistance to adult care and group homes as they transition to the State's Transitions to Community Living Plan. These funds will be used to pay monthly stipends to adult care and group homes for residents who are no longer eligible to receive Medicaid-reimbursable personal care services but for whom a community placement has not yet been arranged.

**(10.0) Division of Mental Health, Developmental Disabilities, and Substance Abuse Services****17 Federal Block Grant Funding**

Provides federal Substance Abuse Prevention and Treatment Block Grant funds for Division of Mental Health's administrative costs.

(\$227,000) NR

**18 Cherry Hospital**

\$3,472,954 R

Provides funding to support the expanded bed capacity at the new Cherry Hospital, which is scheduled to begin operating in April 2013. The new hospital will have 314 beds, an increase of 124 beds.

373.10

**(11.0) Division of Public Health****19 Environmental Health Section**

\$3,700,675 R

Provides for a technical correction reflecting the Type I transfer of the Division of Environmental Health from the Department of Natural and Economic Resources to the Department of Health and Human Services, Division of Public Health. This transfer was enacted during the 2011 Legislative Session via SL 2011-145.

38.05

S.L. 2011-145, Sec. 13.3

**20 State Public Health Lab and Office of Chief Medical Examiner**

\$1,155,666 R

Provides funds for new positions and operating costs for the new State Public Health Laboratory and the Chief Medical Examiner's Office which will begin operating in FY12-13.

12.00

**21 Environmental Health Regional Office Positions**

\$221,109 R

Restores funding for transferred positions formerly located in DENR regional offices. This funding was made non-recurring in FY 2011-12 pending a Justification Review. Due to the FY 2011-12 transfer of the Division of Environmental Health to the Division of Public Health in the Department of Health & Human Services (DHHS), the restored salaries and benefits of positions formerly located in DENR regional offices are transferred from DENR to DHHS as follows:

60034273	Env Health Reg Spec	\$69,922
60034303	Env Health Reg Spec	\$67,812
60034278	Soil Scientist	\$83,375

S.L. 2011-145, Sec. 6.69(b)

**Budget Changes**

\$166,821,177 R

\$67,679,924 NR

**Total Position Changes**

426.15

**Revised Total Budget**

\$4,689,664,034

**NATURAL  
&  
ECONOMIC  
RESOURCES  
Section H**

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## Agriculture and Consumer Services

GENERAL FUND

Total Budget Approved 2011 Session

FY 12-13

\$62,198,634

## Budget Changes

## (1.0) Technical Correction

## 1 NC Forest Service

\$36,462,776

R

Provides for a technical correction showing the transfer of the NC Forest Service from the Department of Environment & Natural Resources to the Department of Agriculture & Consumer Services. The Division was transferred in FY 2011-12 after certification of the budget. This item should not be certified in the FY 2012-13 budget as it will be certified through a budget revision.

452.16

## 2 Division of Soil &amp; Water Conservation

\$10,323,455

R

Provides for a technical correction showing the transfer of the Division of Soil & Water Conservation from the Department of Environment & Natural Resources to the Department of Agriculture & Consumer Services. The Division was transferred in FY 2011-12 after certification of the budget. This item should not be certified in the FY 2012-13 budget as it will be certified through a budget revision.

42.15

## 3 Four Central Office Positions

\$178,410

R

Provides for a technical correction showing the transfer of 4.0 central office positions from the Department of Environment & Natural Resources to the Department of Agriculture & Consumer Services. The Division was transferred in FY 2011-12 after certification of the budget. This item should not be certified in the FY 2012-13 budget as it will be certified through a budget revision.

4.00

## Department-wide

## 4 Management Flexibility Reduction

(\$2,183,266)

R

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

**Markets****5 Southeastern Agricultural Center & Farmers Market**

\$362,230 R

Restores General Fund support for the Southeastern Agricultural Center & Farmers Market in Lumberton. This facility was subject to Justification Review in FY 2011-12.

6.00

**Soil & Water Conservation****6 Restore Regional Office Positions - DACS**

\$651,019 R

Restores funding for transferred positions formerly located in DENR regional offices. This funding was made non-recurring in FY 2011-12 pending a Justification Review. Due to the FY 2011-12 transfers of the Division of Soil & Water Conservation to the Department of Agriculture & Consumer Services (DACS), the restored salaries and benefits of positions formerly located in DENR regional offices will need to be transferred from DENR to DACS as follows:

60032345	Engineer	\$74,775	1.00 FTE
60032360	Engineer	\$64,270	1.00 FTE
60032341	Soil Scientist	\$62,380	1.00 FTE
60032328	Env Prog Super III	\$79,165	1.00 FTE
60032369	Env Specialist	\$55,581	1.00 FTE
60090071	Paralegal II	\$47,567	0.75 FTE
60032346	Engineer	\$69,056	1.00 FTE
60032323	Soil Scientist	\$79,106	1.00 FTE
60032372	Env Specialist	\$53,060	1.00 FTE
60032348	Engineer	\$66,059	1.00 FTE

9.75

**Budget Changes**

\$45,794,624 R

**Total Position Changes**

514.06

**Revised Total Budget**

\$107,993,258

Senate Subcommittee on Natural and Economic Resources

Labor

GENERAL FUND

		<b>FY 12-13</b>
<b>Total Budget Approved 2011 Session</b>		<b>\$15,836,887</b>
<hr/>		
<b>Budget Changes</b>		
<b>Department-wide</b>		
<b>7 Management Flexibility Reduction</b>	(\$316,738)	R
Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.		
<hr/>		
<b>Budget Changes</b>	<b>(\$316,738)</b>	<b>R</b>
<b>Total Position Changes</b>		
<b>Revised Total Budget</b>	<b>\$15,520,149</b>	
<hr/>		

## Environment &amp; Natural Resources

GENERAL FUND

Total Budget Approved 2011 Session

FY 12-13

\$148,148,105

## Budget Changes

## (1.0) Technical Correction

## 8 NC Forest Service

(\$36,462,776) R

Provides for a technical correction showing the transfer of the NC Forest Service from the Department of Environment & Natural Resources to the Department of Agriculture & Consumer Services. The Division was transferred in FY 2011-12 after certification of the budget. This item should not be certified in the FY 2012-13 budget as it will be certified through a budget revision.

-452.16

## 9 Division of Soil &amp; Water Conservation

(\$10,323,455) R

Provides for a technical correction showing the transfer of the Division of Soil & Water Conservation from the Department of Environment & Natural Resources to the Department of Agriculture & Consumer Services. The Division was transferred in FY 2011-12 after certification of the budget. This item should not be certified in the FY 2012-13 budget as it will be certified through a budget revision.

-42.15

## 10 Four Central Office Positions

(\$178,410) R

Provides for a technical correction showing the transfer of 4.0 central office positions from the Department of Environment & Natural Resources to the Department of Agriculture & Consumer Services. The Division was transferred in FY 2011-12 after certification of the budget. This item should not be certified in the FY 2012-13 budget as it will be certified through a budget revision.

-4.00

## 11 Division of Environmental Health

(\$3,700,675) R

Provides for a technical correction showing the transfer of the Division of Environmental Health from the Department of Environment & Natural Resources to the Department of Health & Human Services. The Division was transferred in FY 2011-12 after certification of the budget. This item should not be certified in the FY 2012-13 budget as it will be certified through a budget revision.

-38.05



**(1.0) Department-wide****12 Management Flexibility Reduction**

(\$2,023,669) R

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

**(1.0) Reserves & Transfers****13 Clean Water State Revolving Fund**

Directs the Department to use \$5,101,400 of its loan origination fee fund to provide the 20% State match needed to draw down \$25,507,000, the maximum available federal funds for the Clean Water State Revolving Fund for FY 2012-13. The Department needs permission from the US EPA to use these funds for FY 2012-13 only.

**14 Drinking Water State Revolving Fund**

Directs the Department to use funds from the Drinking Water Reserve to provide the 20% State match needed to draw down the maximum available federal funds for the Drinking Water State Revolving Fund. The match amount of \$4,939,600 for Federal Fiscal Year 2011-12 will allow the State to draw down \$24,698,000 in federal funds, and the match amount of \$4,707,400 for the Federal Fiscal Year 2012-13 will allow the State to draw down \$23,537,000 in federal funds. The EPA encourages states to have their match amounts available prior to the beginning of the Federal Fiscal Year so the amount of the State grant can be encumbered in the EPA budget. The Department is currently a year in arrears obtaining these federal grants from EPA, and this will allow the Department to have its match amounts available prior to the beginning of future Federal Fiscal Years.

**(2.0) Land Resources****15 Geodetic Survey Section to Emergency Management**

(\$819,861) R

Transfers the Geodetic Survey Section from the Department of Environment and Natural Resources to the Department of Public Safety as a Type I transfer. Geodetic Survey will be housed in the Division of Law Enforcement, Emergency Management Section. The transfer includes the following positions:

-12.92

## General Fund Supported Positions (12.92 FTE):

60032386	Engineering/Architectural Supervisor	\$104,835	1.00 FTE
60032388	Office Assistant III	\$40,362	1.00 FTE
60032387	Office Assistant IV	\$43,691	1.00 FTE
60032389	Engineering/Architectural Technician	\$62,320	1.00 FTE
60032390	Engineering/Architectural Supervisor	\$78,995	1.00 FTE
60032393	Technology Support Analyst	\$60,575	1.00 FTE
60032395	Engineering/Architectural Technician	\$66,407	1.00 FTE
60032396	Engineering/Architectural Technician	\$52,381	1.00 FTE
60032399	Business And Technology Applic Tech	\$72,037	1.00 FTE
60032400	Information & Communication Specialist	\$58,698	1.00 FTE
60032402	Engineering/Architectural Technician	\$38,901	0.92 FTE
60032403	Engineering/Architectural Technician	\$46,161	1.00 FTE
60032405	Engineering/Architectural Technician	\$59,173	1.00 FTE
Operating Costs		\$35,325	

## Receipt Supported Positions (4.08 FTE):

60032392	Engineer	\$67,539	1.00 FTE
60032398	Engineering/Architectural Technician	\$63,939	1.00 FTE
60032401	Engineering/Architectural Technician	\$42,436	1.00 FTE
60032402	Engineering/Architectural Technician	\$3,535	0.08 FTE
60032404	Engineering/Architectural Technician	\$45,139	1.00 FTE
60032406	Engineering/Architectural Technician	\$42,436	1.00 FTE

**(2.0) Regional Offices****16 Restore Regional Offices**

\$12,624,378 R

Restores funding for the regional offices. This funding was made non-recurring in FY 2011-12 pending a Justification Review. Due to the FY 2011-12 transfers of the Division of Soil & Water Conservation to the Department of Agriculture & Consumer Services (DACS) and the Division of Environmental Health to the Division of Public Health in the Department of Health & Human Services (DHHS), the restored salaries and benefits of positions formerly located in DENR regional offices will need to be transferred from DENR to those Departments as follows:

134.96

Division of Public Health (DHHS)	\$221,109	3.00 FTE
Division of Soil & Water Conservation (DACS)	\$651,019	9.75 FTE

**17 Restore Regional Office Positions - DHHS**

(\$221,109) R

Restores funding for transferred positions formerly located in DENR regional offices. This funding was made non-recurring in FY 2011-12 pending a Justification Review. Due to the FY 2011-12 transfer of the Division of Environmental Health to the Division of Public Health in the Department of Health & Human Services (DHHS), the restored salaries and benefits of positions formerly located in DENR regional offices will need to be transferred from DENR to DHHS as follows:

-3.00

60034273	Env Health Reg Spec	\$69,922	1.00 FTE
60034303	Env Health Reg Spec	\$67,812	1.00 FTE
60034278	Soil Scientist	\$83,375	1.00 FTE

**18 Restore Regional Office Positions - DACS**

(\$651,019) R

Restores funding for transferred positions formerly located in DENR regional offices. This funding was made non-recurring in FY 2011-12 pending a Justification Review. Due to the FY 2011-12 transfers of the Division of Soil & Water Conservation to the Department of Agriculture & Consumer Services (DACS), the restored salaries and benefits of positions formerly located in DENR regional offices will need to be transferred from DENR to DACS as follows:

-9.75

60032345	Engineer	\$74,775	1.00 FTE
60032360	Engineer	\$64,270	1.00 FTE
60032341	Soil Scientist	\$62,380	1.00 FTE
60032328	Env Prog Super III	\$79,165	1.00 FTE
60032369	Env Specialist	\$55,581	1.00 FTE
60090071	Paralegal II	\$47,567	0.75 FTE
60032346	Engineer	\$69,056	1.00 FTE
60032323	Soil Scientist	\$79,106	1.00 FTE
60032372	Env Specialist	\$53,060	1.00 FTE
60032348	Engineer	\$66,059	1.00 FTE

**19 Restore Regional Office Positions - DPS**

(\$136,949) R

Restores funding for transferred positions formerly located in DENR regional offices. This funding was made non-recurring in FY 2011-12 pending a Justification Review. Due to the FY 2012-13 transfer of the Division of Land Resources' Geodetic Survey Section to the Emergency Management Section of the Division of Law Enforcement in the Department of Public Safety (DPS), the restored salaries and benefits of positions formerly located in DENR regional offices will need to be transferred from DENR to DPS as follows:

-2.00

60032391	Engineering/Architectural Supervisor	\$77,859	1.00 FTE
60032397	Engineering/Architectural Technician	\$59,090	1.00 FTE

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<b>Budget Changes</b>	<b>(\$41,893,545)</b>	<b>R</b>
<b>Total Position Changes</b>	<b>-429.07</b>	
<b>Revised Total Budget</b>	<b>\$106,254,560</b>	

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Senate Subcommittee on Natural and Economic Resources

DENR-Clean Water Management Trust Fund

GENERAL FUND
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		<table><tr><td>FY 12-13</td></tr></table>	FY 12-13
FY 12-13			
Total Budget Approved 2011 Session		\$11,250,000	
<hr/>			
Budget Changes			
20 No Legislative Changes			
<hr/>			
Budget Changes			
Total Position Changes			
Revised Total Budget		\$11,250,000	

Senate Subcommittee on Natural and Economic Resources

Wildlife Resources Commission

GENERAL FUND

	FY 12-13	
Total Budget Approved 2011 Session	\$17,221,179	
Budget Changes		
Commission-wide		
21 Management Flexibility Reduction	(\$344,424)	R
Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.		
Conservation Education		
22 Continuation Review	\$778,821	R
Restores the \$778,821 appropriation for the Conservation Education program, the full amount of General Fund support for the program.		
Budget Changes	\$434,397	R
Total Position Changes		
Revised Total Budget	\$17,655,576	

Senate Subcommittee on Natural and Economic Resources

Commerce

GENERAL FUND

FY 12-13

Total Budget Approved 2011 Session

\$33,250,463

Budget Changes

Department-wide

**23 Management Flexibility Reduction**

(\$665,009) R

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

Commerce Finance Center

**24 Job Maintenance and Capital Development Fund (JMAC)**

\$6,000,000 NR

Provides \$6 million nonrecurring to be allocated to fulfill existing agreements with Bridgestone/Firestone and Goodyear.

**25 Economic Development Project**

\$6,500,000 NR

Provides \$6.5 million nonrecurring for an economic development project land purchase.

Energy Office

**26 TVA Settlement Funds**

Directs the Energy Office to apply for funding from the TVA Settlement Agreement in accordance with the Consent Decree. The requested funding will be for biofuels projects in alignment with work currently done by the Biofuels Center. Once funds are received, Commerce is to disburse them to the Biofuels Center. The Settlement is for a total of \$11.2 million over 5 years, and it is anticipated that the funds will continue to be used for biofuels purposes.

Office of Science and Technology

**27 Continuation Review**

\$215,599 R

Restores funding eliminated due to the Continuation Review of this program in FY 2011-12.

2.00

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<b>Budget Changes</b>	<b>(\$449,410)</b>	<b>R</b>
	<b>\$12,500,000</b>	<b>NR</b>
<b>Total Position Changes</b>	<b>2.00</b>	
<b>Revised Total Budget</b>	<b>\$45,301,053</b>	

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Senate Subcommittee on Natural and Economic Resources

Commerce - State Aid

GENERAL FUND

		<b>FY 12-13</b>	
<b>Total Budget Approved 2011 Session</b>		<b>\$30,151,984</b>	
<hr/>			
<b>Budget Changes</b>			
<b>28 Management Flexibility Reduction to all Commerce State-Aid Nonprofits</b>		(\$589,040)	R
Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program. The Department is to allocate this cut out on a pro-rata basis to all non-profits funded through Commerce State-Aid.		(\$14,000)	NR
<b>29 Biofuels Center</b>		(\$2,240,000)	R
Provides \$2.24 million in the Biofuels Center budget with receipts from the TVA Settlement Agreement. A corresponding item within the Commerce section of the budget directs Commerce to apply for funds from the TVA Settlement Agreement which will then be allocated to the Biofuels Center. The Biofuels Center is encouraged to allocate these funds to projects and programs in Western North Carolina. The Settlement is for a total of \$11.2 million over 5 years, and it is anticipated that the funds will continue to be used for biofuels purposes.			
<hr/>			
<b>Budget Changes</b>		<b>(\$2,829,040)</b>	<b>R</b>
		<b>(\$14,000)</b>	<b>NR</b>
<b>Total Position Changes</b>			
<b>Revised Total Budget</b>		<b>\$27,308,944</b>	

Senate Subcommittee on Natural and Economic Resources

N.C. Biotechnology Center

GENERAL FUND

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	<b>FY 12-13</b>
<b>Total Budget Approved 2011 Session</b>	<b>\$17,551,710</b>

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**Budget Changes**

<b>30 Management Flexibility Reduction</b>	<b>(\$351,034)</b>	<b>R</b>
Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.		

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<b>Budget Changes</b>	<b>(\$351,034)</b>	<b>R</b>
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**Total Position Changes**

<b>Revised Total Budget</b>	<b>\$17,200,676</b>
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Senate Subcommittee on Natural and Economic Resources

Rural Economic Development Center

GENERAL FUND

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Total Budget Approved 2011 Session	<b>FY 12-13</b> <b>\$25,376,729</b>
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**Budget Changes**

<b>31 Operating Reduction</b>	(\$6,500,000)	R
Reduces the General Fund appropriation for the Rural Economic Development Center.		

<b>32 Management Flexibility Reduction</b>	(\$507,535)	R
Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.		

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<b>Budget Changes</b>	<b>(\$7,007,535)</b>	<b>R</b>
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Total Position Changes

<b>Revised Total Budget</b>	<b>\$18,369,194</b>
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## Commerce Special GF

Budget Code: 24609

	<b>FY 2012-13</b>	
<b>Beginning Unreserved Fund Balance</b>	<b>\$77,403,582</b>	
<b>Recommended Budget</b>		
Requirements	<b>\$28,711,556</b>	
Receipts	<b>\$28,476,737</b>	
Positions	<b>0.00</b>	
<hr/>		
<b>Legislative Changes</b>		
<b>Requirements:</b>		
<b>One NC Fund - General Fund Transfer</b>	\$0	R
Transfers \$50 million to the General Fund for general availability.	\$50,000,000	NR
	0.00	
<b>Subtotal Legislative Changes</b>	<b>\$0</b>	R
	<b>\$50,000,000</b>	NR
	0.00	
<hr/>		
<b>Receipts:</b>		
<b>One North Carolina Fund</b>	\$0	R
	\$0	NR
<b>Subtotal Legislative Changes</b>	<b>\$0</b>	R
	<b>\$0</b>	NR

Senate Appropriations Subcommittee on Natural and Economic Resources

**FY 2012-13**

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<b>Revised Total Requirements</b>	<b>\$78,711,556</b>
<b>Revised Total Receipts</b>	<b>\$28,476,737</b>
<b>Change in Fund Balance</b>	<b>(\$50,234,819)</b>
<b>Total Positions</b>	<b>0.00</b>

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<b>Unappropriated Balance Remaining</b>	<b>\$27,168,763</b>
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**DENR - Commercial LUST Cleanup**

Budget Code: 64305

	<b>FY 2012-13</b>
<b>Beginning Unreserved Fund Balance</b>	<b>\$91,104,286</b>
<b>Recommended Budget</b>	
Requirements	<b>\$35,790,105</b>
Receipts	<b>\$32,994,218</b>
Positions	<b>0.00</b>
<hr/>	
<b>Legislative Changes</b>	
<b>Requirements:</b>	
<b>Reduce Motor Fuel Tax Transfer to Commercial LUST</b>	(\$2,085,585) R
Reduces the amount of Motor Fuel Tax transferred to the Commercial Leaking Underground Storage Tank (LUST) Fund.	\$0 NR
	0.00
<b>Subtotal Legislative Changes</b>	<b>(\$2,085,585) R</b>
	<b>\$0 NR</b>
	0.00
<hr/>	
<b>Receipts:</b>	
<b>Reduce Motor Fuel Tax Transfer to Commercial LUST</b>	(\$2,085,585) R
Reduces the amount of Motor Fuel Tax transferred to the Commercial Leaking Underground Storage Tank (LUST) Fund.	\$0 NR
<b>Subtotal Legislative Changes</b>	<b>(\$2,085,585) R</b>
	<b>\$0 NR</b>

Senate Appropriations Subcommittee on Natural and Economic Resources

**FY 2012-13**

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<b>Revised Total Requirements</b>	<b>\$33,704,520</b>
<b>Revised Total Receipts</b>	<b>\$30,908,633</b>
<b>Change in Fund Balance</b>	<b>(\$2,795,887)</b>
<b>Total Positions</b>	<b>0.00</b>

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<b>Unappropriated Balance Remaining</b>	<b>\$88,308,399</b>
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## DENR Water Pollution Revolving Loan

Budget Code: 64311

	FY 2012-13	
<b>Beginning Unreserved Fund Balance</b>	<b>\$251,442,946</b>	
<b>Recommended Budget</b>		
Requirements	<b>\$64,304,756</b>	
Receipts	<b>\$64,304,756</b>	
Positions	<b>0.00</b>	
<hr/>		
<b>Legislative Changes</b>		
<b>Requirements:</b>		
<b>Clean Water State Revolving Fund</b>	\$0	R
Directs the Department to use \$5,101,400 of its loan origination fee fund to provide the 20% State match needed to draw down \$25,507,000, the maximum available federal funds for the Clean Water State Revolving Fund for FY 2012-13.	\$5,101,400	NR
	0.00	
<b>Subtotal Legislative Changes</b>	<b>\$0</b>	<b>R</b>
	<b>\$5,101,400</b>	<b>NR</b>
	0.00	
<hr/>		
<b>Receipts:</b>		
<b>Clean Water State Revolving Fund</b>	\$0	R
	\$0	NR
<b>Subtotal Legislative Changes</b>	<b>\$0</b>	<b>R</b>
	<b>\$0</b>	<b>NR</b>



**FY 2012-13**

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<b>Revised Total Requirements</b>	<b>\$69,406,156</b>
<b>Revised Total Receipts</b>	<b>\$64,304,756</b>
<b>Change in Fund Balance</b>	<b>(\$5,101,400)</b>
<b>Total Positions</b>	<b>0.00</b>

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<b>Unappropriated Balance Remaining</b>	<b>\$246,341,546</b>
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**DENR Drinking Water SRF**

Budget Code: 64320

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	<b>FY 2012-13</b>
<b>Beginning Unreserved Fund Balance</b>	<b>\$66,581,987</b>
<b>Recommended Budget</b>	
Requirements	<b>\$52,236,713</b>
Receipts	<b>\$51,066,125</b>
Positions	<b>0.00</b>

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**Legislative Changes****Requirements:****Drinking Water State Revolving Fund**

Directs the Department to use funds from the Drinking Water Reserve to provide the 20% State match needed to draw down the maximum available federal funds for the Drinking Water State Revolving Fund. The match amount of \$4,939,600 for Federal Fiscal Year 2011-12 will allow the State to draw down \$24,698,000 in federal funds, and the match amount of \$4,707,400 for the Federal Fiscal Year 2012-13 will allow the State to draw down \$23,537,000 in federal funds.

\$0	R
\$9,647,000	NR
0.00	

**Subtotal Legislative Changes**

\$0	R
<b>\$9,647,000</b>	NR
0.00	

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**Receipts:****Drinking Water State Revolving Fund**

Directs the Department to use funds from the Drinking Water Reserve to provide the 20% State match needed to draw down the maximum available federal funds for the Drinking Water State Revolving Fund. The match amount of \$4,939,600 for Federal Fiscal Year 2011-12 will allow the State to draw down \$24,698,000 in federal funds, and the match amount of \$4,707,400 for the Federal Fiscal Year 2012-13 will allow the State to draw down \$23,537,000 in federal funds.

\$0	R
\$9,647,000	NR

**Subtotal Legislative Changes**

\$0	R
<b>\$9,647,000</b>	NR

Senate Appropriations Subcommittee on Natural and Economic Resources

**FY 2012-13**

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<b>Revised Total Requirements</b>	<b>\$61,883,713</b>
<b>Revised Total Receipts</b>	<b>\$60,713,125</b>
<b>Change in Fund Balance</b>	<b>(\$1,170,588)</b>
<b>Total Positions</b>	<b>0.00</b>

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<b>Unappropriated Balance Remaining</b>	<b>\$65,411,399</b>
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**DENR – Drinking Water Reserve**

Budget Code: 64324

	<b>FY 2012-13</b>	
<b>Beginning Unreserved Fund Balance</b>	<b>\$11,970,949</b>	
<b>Recommended Budget</b>		
Requirements	<b>\$472,051</b>	
Receipts	<b>\$472,051</b>	
Positions	<b>0.00</b>	
<hr/>		
<b>Legislative Changes</b>		
<b>Requirements:</b>		
<b>Drinking Water State Revolving Fund</b>	\$0	R
Directs the Department to use funds from the Drinking Water Reserve to provide the 20% State match needed to draw down the maximum available federal funds for the Drinking Water State Revolving Fund. The match amount of \$4,939,600 for Federal Fiscal Year 2011-12 will allow the State to draw down \$24,698,000 in federal funds, and the match amount of \$4,707,400 for the Federal Fiscal Year 2012-13 will allow the State to draw down \$23,537,000 in federal funds.	\$9,647,000	NR
	0.00	
<b>Subtotal Legislative Changes</b>	<b>\$0</b>	<b>R</b>
	<b>\$9,647,000</b>	<b>NR</b>
	0.00	
<hr/>		
<b>Receipts:</b>		
<b>Drinking Water State Revolving Fund</b>	\$0	R
	\$0	NR
<b>Subtotal Legislative Changes</b>	<b>\$0</b>	<b>R</b>
	<b>\$0</b>	<b>NR</b>

Senate Appropriations Subcommittee on Natural and Economic Resources

**FY 2012-13**

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<b>Revised Total Requirements</b>	<b>\$10,119,051</b>
<b>Revised Total Receipts</b>	<b>\$472,051</b>
<b>Change in Fund Balance</b>	<b>(\$9,647,000)</b>
<b>Total Positions</b>	<b>0.00</b>

---

<b>Unappropriated Balance Remaining</b>	<b>\$2,323,949</b>
---	--------------------

## Wildlife Res. - MTR-BT-Int. Bearing

Budget Code: 24352

	<b>FY 2012-13</b>	
<b>Beginning Unreserved Fund Balance</b>	<b>\$992,340</b>	
<b>Recommended Budget</b>		
Requirements	<b>\$10,773,694</b>	
Receipts	<b>\$10,773,694</b>	
Positions	<b>0.00</b>	
<hr/>		
<b>Legislative Changes</b>		
<b>Requirements:</b>		
<b>Motor Fuels Adjustment and Cap</b>	\$0	R
	\$0	NR
	0.00	
<b>Subtotal Legislative Changes</b>	<b>\$0</b>	R
	<b>\$0</b>	NR
	0.00	
<hr/>		
<b>Receipts:</b>		
<b>Motor Fuels Adjustment and Cap</b>	(\$196,833)	R
Reduces the amount of receipts expected to be transferred from the Department of Transportation to the Wildlife Resources Commission.	\$0	NR
<b>Subtotal Legislative Changes</b>	<b>(\$196,833)</b>	R
	<b>\$0</b>	NR

Senate Appropriations Subcommittee on Natural and Economic Resources

**FY 2012-13**

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<b>Revised Total Requirements</b>	<b>\$10,773,694</b>
<b>Revised Total Receipts</b>	<b>\$10,576,861</b>
<b>Change in Fund Balance</b>	<b>(\$196,833)</b>
<b>Total Positions</b>	<b>0.00</b>

---

<b>Unappropriated Balance Remaining</b>	<b>\$795,507</b>
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**JUSTICE  
&  
PUBLIC SAFETY  
Section I**

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## Public Safety

GENERAL FUND

FY 12-13

Total Budget Approved 2011 Session

\$1,694,715,876

## Budget Changes

**1 Management Flexibility Reserve**

(\$31,394,318) R

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

**2 Treatment for Effective Community Supervision**

(\$5,000,000) NR

Transfers \$5 million from the Statewide Misdemeanant Confinement Fund (Special Fund code 24500-2225), to the Division of Adult Correction (General Fund budget code 14500-1433) for the Treatment for Effective Community Supervision program. This program provides treatment services to probationers in the community.

**3 Geodetic Survey Section Transfer**

\$136,949 R

Transfers additional Geodetic Survey positions to the Emergency Management Section of the Division of Law Enforcement in the Department of Public Safety (DPS). These positions had been included in a Justification Review of DENR's Regional Offices. The following positions are transferred:

Position	Title	Total Position Cost	FTE
60032391	Engineering/Architectural Supervisor	\$77,859	1.00
60032397	Engineering/Architectural Technician	\$59,090	1.00

**4 Geodetic Survey Section Transfer**

\$819,861 R

Transfers the Geodetic Survey Section from the Department of Environment and Natural Resources to the Department of Public Safety as a Type I transfer. Geodetic Survey will be housed in the Division of Law Enforcement, Emergency Management Section. The transfer includes \$35,325 in operating funds and the following positions:

12.92

## General Fund Supported Positions:

Position	Title	Total Position Cost	FTE
60032386	Engineering/Architectural Supervisor	\$104,835	1.00
60032387	Office Assistant IV	\$ 43,691	1.00
60032388	Office Assistant III	\$ 40,362	1.00
60032389	Engineering/Architectural Technician	\$ 62,320	1.00
60032390	Engineering/Architectural Supervisor	\$ 78,995	1.00
60032393	Technology Support Analyst	\$ 60,575	1.00
60032395	Engineering/Architectural Technician	\$ 66,407	1.00
60032396	Engineering/Architectural Technician	\$ 52,381	1.00
60032399	Business And Technology Applic. Tech	\$ 72,037	1.00
60032400	Information & Communication Specialist	\$ 58,698	1.00
60032402	Engineering/Architectural Technician	\$ 38,901	0.92
60032403	Engineering/Architectural Technician	\$ 46,161	1.00
60032405	Engineering/Architectural Technician	\$ 42,436	1.00

## Receipt Supported Positions:

60032392	Engineer	\$ 67,539	1.00
60032398	Engineering/Architectural Technician	\$ 63,939	1.00
60032401	Engineering/Architectural Technician	\$ 42,436	1.00
60032402	Engineering/Architectural Technician	\$ 3,535	0.08
60032404	Engineering/Architectural Technician	\$ 45,139	1.00
60032406	Engineering/Architectural Technician	\$ 42,436	1.00

**Budget Changes**

(\$30,437,508) R

(\$5,000,000) NR

**Total Position Changes**

14.92

**Revised Total Budget**

\$1,659,278,368

Senate Subcommittee on Justice and Public Safety

Justice

GENERAL FUND

FY 12-13

Total Budget Approved 2011 Session

\$80,864,138

Budget Changes

5 Management Flexibility Reserve

(\$1,617,283) R

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

6 Non-recurring Operating Reduction

(\$3,000,000) NR

Uses DOJ receipts to partially fund operations for one year.

B. Legal Services

7 Consumer Protection

(\$1,757,780) R

Transfers the Consumer Protection Section to receipt support. Currently, half of this section is supported by receipts from settlement agreements. This reduction transfers the remaining consumer protection section to receipt support.

-17.00

Budget Changes

(\$3,375,063) R

(\$3,000,000) NR

Total Position Changes

-17.00

Revised Total Budget

\$74,489,075

Senate Subcommittee on Justice and Public Safety

Judicial - Indigent Defense

GENERAL FUND
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---

Total Budget Approved 2011 Session

FY 12-13
----------

\$112,748,733

---

Budget Changes

8 No legislative changes.

---

Budget Changes

Total Position Changes

Revised Total Budget

\$112,748,733

---

Senate Subcommittee on Justice and Public Safety

Judicial

GENERAL FUND

		FY 12-13
Total Budget Approved 2011 Session		\$435,141,107
<b>Budget Changes</b>		
<b>9 Management Flexibility Reserve</b>		(\$6,945,042) R
Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.		
<b>10 Family Courts</b>		\$2,865,693 R
Restores the recurring appropriation for the Family Court Program.		
		44.00
<b>11 Administration of Mortgage Settlement Funds</b>		(\$200,000) R
Reduces the pass-through appropriation to the Conference of District Attorneys by \$200,000. The Conference of District Attorneys has been awarded \$6.69 million in the Mortgage Settlement Agreement. These funds are to be used for grants and training for prosecutorial offices throughout the State. A portion of the funds can be used for administration at the Conference.		
<b>Budget Changes</b>		<b>(\$4,279,349) R</b>
<b>Total Position Changes</b>		44.00
<b>Revised Total Budget</b>		<b>\$430,861,758</b>

## Correction - Special

Budget Code: 24500

	FY 2012-13	
<b>Beginning Unreserved Fund Balance</b>	<b>\$13,922,110</b>	
<b>Recommended Budget</b>		
Requirements	\$0	
Receipts	\$0	
Positions	0.00	
<hr/>		
<b>Legislative Changes</b>		
<b>Requirements:</b>		
<b>Statewide Misdemeanant Confinement Fund</b>	\$0	R
Transfers \$5 million nonrecurring to the Division of Adult Correction for the Treatment of Effective Community Supervision program.	\$5,000,000	NR
	0.00	
<b>Subtotal Legislative Changes</b>	<b>\$0</b>	<b>R</b>
	<b>\$5,000,000</b>	<b>NR</b>
	0.00	
<hr/>		
<b>Receipts:</b>		
<b>Statewide Misdemeanant Confinement Fund</b>	\$0	R
	\$0	NR
<b>Subtotal Legislative Changes</b>	<b>\$0</b>	<b>R</b>
	<b>\$0</b>	<b>NR</b>



Senate Appropriations Subcommittee on Justice and Public Safety

**FY 2012-13**

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<b>Revised Total Requirements</b>	<b>\$5,000,000</b>
<b>Revised Total Receipts</b>	<b>\$0</b>
<b>Change in Fund Balance</b>	<b>(\$5,000,000)</b>
<b>Total Positions</b>	<b>0.00</b>

---

<b>Unappropriated Balance Remaining</b>	<b>\$8,922,110</b>
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**GENERAL  
GOVERNMENT  
Section J**

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## Administration

GENERAL FUND

Total Budget Approved 2011 Session

FY 12-13

\$66,353,073

## Budget Changes

## 2401 - E-Commerce Reserve

**1 Reduce E-Commerce Reserve to Fund Cash Management Module**

Reduces the E-Commerce Reserve at the Department of Administration by \$2,470,642 to transfer to General Availability. Of this amount, \$1,347,397 will be utilized to fund the General Fund-supported portion of the Banking System Upgrade at the Office of the State Controller.

## Department-wide

**2 Management Flexibility Reduction**

(\$1,178,696) R

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

## Office of State Personnel

**3 Management Flexibility Reduction**

(\$125,473) R

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

## State Ethics Commission

**4 Management Flexibility Reduction**

(\$22,892) R

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

## Senate Subcommittee on General Government

<b>FY 12-13</b>
-----------------

### Transition and Inauguration

#### 5 Fund Governor's Transition and Inauguration

Provides funding for the Transition Team and Governor's Inauguration to fund all fiscal activities related to the Governor Inauguration and Transition for the Governor and Council of State. In FY 2008-09 these items were funded, in total, at \$420,000. Funds are to be distributed as follows:

\$420,000	NR
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Fund Code: 1881: \$170,000

Fund Code: 1882: \$250,000

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#### Budget Changes

(\$1,327,061)	R
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\$420,000	NR
-----------	----

#### Total Position Changes

#### Revised Total Budget

\$65,446,012
--------------

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Auditor

GENERAL FUND

---

Total Budget Approved 2011 Session

FY 12-13  
\$10,676,035

---

Budget Changes

Department-wide

**6 Management Flexibility Reduction**

(\$213,521) R

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

---

**Budget Changes**

(\$213,521) R

Total Position Changes

**Revised Total Budget**

**\$10,462,514**

---

## Cultural Resources

GENERAL FUND
--------------

---

Total Budget Approved 2011 Session

<b>FY 12-13</b>
-----------------

**\$61,697,001**

---

### Budget Changes

#### Department-wide

##### **7 Management Flexibility Reduction**

**(\$1,233,940) R**

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

---

### Budget Changes

**(\$1,233,940) R**

#### Total Position Changes

#### Revised Total Budget

**\$60,463,061**

---



## Cultural Resources - Roanoke Island Commission

GENERAL FUND

Total Budget Approved 2011 Session

FY 12-13

\$1,203,491

## Budget Changes

## All RIC Fund Codes

- 8 Technical Correction: Apply Reduction to Multiple Fund Codes** (\$1,203,491) R  
 Clarifies that the reduction of \$1.2 million (50%) in the 2011 Conference Report is to be achieved by reductions in Fund 1584 (RIC Operating Fund) and Fund 1586 (RIC Performing Arts Fund).

## Fund Code 1584

- 9 Technical Correction: Restore Reduction to Operating Fund Code** \$1,203,491 R  
 Clarifies that the reduction of \$1.2 million (50%) in the 2011 Conference Report is to be achieved by reductions in Fund 1584 (RIC Operating Fund) and Fund 1586 (RIC Performing Arts Fund).

## Roanoke Island Commission-Wide

- 10 Management Flexibility Reduction** (\$24,070) R  
 Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

<b>Budget Changes</b>	<b>(\$24,070)</b>	<b>R</b>
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Total Position Changes

<b>Revised Total Budget</b>	<b>\$1,179,421</b>	
-----------------------------	--------------------	--

## General Assembly

GENERAL FUND

## Total Budget Approved 2011 Session

FY 12-13

\$50,104,208

## Budget Changes

## Building &amp; Maintenance

## 11 Building &amp; Maintenance Continuation Review

\$2,572,506

R

Restores recurring funding for the Building & Maintenance Division, which was subject to Continuation Review for FY 2011-12.

31.60

## Department-wide

## 12 Management Flexibility Reduction

(\$1,002,084)

R

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

## Information Systems Division

## 13 Clarify Funding Mechanism

\$2,114,555

R

Clarifies language in Item #61 of the 2011 Conference Report. Continues the elimination of appropriations for ISD non-personnel costs for FY 2012-13 by budgeting receipts from the Carryforward Reserve on a nonrecurring basis. Restores operating account requirements and offsets those requirements with Carryforward Reserve receipts.

(\$2,114,555)

NR

## Budget Changes

\$3,684,977

R

(\$2,114,555)

NR

## Total Position Changes

31.60

## Revised Total Budget

\$51,674,630

Governor

GENERAL FUND

---

Total Budget Approved 2011 Session

FY 12-13  
\$4,741,157

---

Budget Changes

Department-wide

14 Management Flexibility Reduction

(\$94,823) R

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

---

Budget Changes

(\$94,823) R

Total Position Changes

Revised Total Budget

\$4,646,334

---

Senate Subcommittee on General Government

Housing Finance Agency

GENERAL FUND

---

Total Budget Approved 2011 Session

FY 12-13

\$9,673,051

---

Budget Changes

1100 - Home Protection Pilot

15 Eliminate Funding for Home Protection Pilot

(\$187,879) R

Eliminates funding for the Home Protection Pilot Program. Funding is unnecessary due to the Housing Finance Agency's participation in the Hardest Hit Program.

1100: Housing Trust Fund

16 Utilization of Housing Settlement Funds to Fund the Housing Trust Funds

(\$7,876,755) NR

Eliminates, on a non-recurring basis, the General Fund appropriation to the Housing Trust Fund. Funds from the Mortgage Settlement Agreement to the Housing Finance Agency may be redirected or deposited into the Housing Trust Fund to offset FY 2012-13 non-recurring reductions to the fund. Nothing in this item is intended to, or shall be construed to, conflict with the mandatory requirements of the Mortgage Settlement Agreement.

---

Budget Changes

(\$187,879) R

(\$7,876,755) NR

Total Position Changes

Revised Total Budget

\$1,608,417

---

Insurance

GENERAL FUND

---

Total Budget Approved 2011 Session

**FY 12-13**  
**\$36,393,921**

---

Budget Changes

State Fire Protection Grant Fund

**17 Management Flexibility Reduction**

(\$73,550) R

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

---

Budget Changes

(\$73,550) R

Total Position Changes

Revised Total Budget

**\$36,320,371**

---

Insurance - Volunteer Safety Workers'  
Compensation Fund

GENERAL FUND

---

Total Budget Approved 2011 Session

FY 12-13  
\$2,623,654

---

Budget Changes

18 No Changes

---

Budget Changes

Total Position Changes

Revised Total Budget

\$2,623,654

---

Senate Subcommittee on General Government

Lieutenant Governor

GENERAL FUND

---

Total Budget Approved 2011 Session

FY 12-13  
\$695,324

---

Budget Changes

Department-wide

19 Consolidate Functions

(\$144,150) R

Reduces appropriations for staff salaries and related expenses, effective December 31, 2012. The Office is directed to consolidate staff functions and reduce positions to achieve savings.

---

Budget Changes

(\$144,150) R

Total Position Changes

Revised Total Budget

\$551,174

---

Office of Administrative Hearings

GENERAL FUND

---

Total Budget Approved 2011 Session

FY 12-13

\$4,142,258

---

Budget Changes

Department-wide

20 Management Flexibility Reduction

(\$82,845) R

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

---

Budget Changes

(\$82,845) R

Total Position Changes

Revised Total Budget

\$4,059,413

---



## Revenue

GENERAL FUND

Total Budget Approved 2011 Session

FY 12-13

\$78,199,538

## Budget Changes

## 1629 - Local Government Division

**21 Combined Registration and Tax Collection System**

Budgets receipts from the Combined Motor Vehicle and Registration Account to support the development and implementation costs for the Combined Motor Vehicle Registration and Property Tax System as required by S.L. 2005-294. The total costs for FY 2012-13 are \$377,797 with \$353,197 of this amount as recurring costs. Four new positions within the division are created:

Business & Technology Application Specialist  
DBE Specialist  
Property Valuation Specialist I  
Property Valuation Specialist II

## 1710 - Fuel Tax Compliance

**22 Eliminate Vacant Positions**

Eliminates ten (10) vacant positions for a total personnel savings to the Highway Fund of \$488,366. Other costs to support these personnel, such as travel, per diem, and supplies are reduced by \$32,000.

The positions eliminated include eight (8) Motor Fuel Auditors and two (2) Law Enforcement Agents. The position numbers supported by the Highway Fund are 60083149, 60083173, 60083153, 60083182, 60083177, 60083178, 60083201, and 60083205. Two positions supported with federal funds are 65007466 and 65007490.

## Department-wide

**23 Management Flexibility Reduction**

(\$1,563,991) R

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

---

<b>Budget Changes</b>	<b>(\$1,563,991)</b>	<b>R</b>
-----------------------	----------------------	----------

Total Position Changes
------------------------

<b>Revised Total Budget</b>	<b>\$76,635,547</b>
-----------------------------	---------------------

---

Secretary of State

GENERAL FUND

---

Total Budget Approved 2011 Session

**FY 12-13**  
**\$10,654,563**

---

Budget Changes

Department-wide

**24 Management Flexibility Reduction**

(\$213,091) R

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

---

**Budget Changes**

**(\$213,091) R**

Total Position Changes

**Revised Total Budget**

**\$10,441,472**

---

## State Board of Elections

GENERAL FUND

Total Budget Approved 2011 Session

FY 12-13

\$5,126,603

## Budget Changes

**25 Management Flexibility Reduction**

(\$102,532) R

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program. For FY 2012-13, the reductions shall be taken in the Administration and Campaign Reporting Divisions, so that there will be no reduction to the Maintenance of Effort expenditures required to access federal Help America Vote Act Title II funds.

**26 Maintenance of Effort**

\$563,936 NR

Appropriates funds to meet federal Help America Vote Act (HAVA) Title II Maintenance of Effort requirements, which will enable the State Board of Elections to access and expend the remaining \$4 million in federal HAVA Title II Funds. Total required to meet MOE is based on the most recent data from the State Board of Elections.

**Budget Changes**

(\$102,532) R

\$563,936 NR

**Total Position Changes****Revised Total Budget****\$5,588,007**

## State Budget &amp; Management

GENERAL FUND

---

Total Budget Approved 2011 Session

FY 12-13

\$5,848,663

---

## Budget Changes

**27 Eliminate Receipt-Supported Positions**

Eliminates two receipt-supported internal auditor positions, which will no longer be funded with receipts from the Information Technology Internal Service Fund. Savings to the Information Technology Internal Service Fund total \$170,152:

#65009983 (\$85,686) salary & benefits

#65011783 (\$84,466) salary & benefits

## Department-wide

**28 Management Flexibility Reduction**

(\$116,973) R

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

---

Budget Changes

(\$116,973) R

## Total Position Changes

## Revised Total Budget

\$5,731,690

---

## State Budget and Management - Special

GENERAL FUND

Total Budget Approved 2011 Session

FY 12-13

\$440,612

## Budget Changes

**29 Align Budget With 2011 Reductions**

(\$390,612) R

Adjusts the total transferred to the Department of Insurance for the Fire Protection Grant Fund to account for the 10% reduction directed in the 2011 Conference Report.

**30 Transition Reserve**

\$330,000 NR

Funds a reserve for operating expenses and temporary staff for planning, reorganization, and other activities related to the transition of Executive Branch offices. Any unspent funds shall revert to the General Fund at the end of the fiscal year.

**N.C. Humanities Council****31 Management Flexibility Reduction**

(\$1,000) R

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

**Budget Changes**

(\$391,612) R

\$330,000 NR

**Total Position Changes****Revised Total Budget**

\$379,000

## State Controller

GENERAL FUND

Total Budget Approved 2011 Session

FY 12-13

\$28,368,957

## Budget Changes

**32 Cash Management Module**

Funds the Office of the State Controller's portion of the upgrade of the State's Cash Management System. This is a joint project between the Department of the State Treasurer and the Office of the State Controller.

\$1,347,397 NR

## Department-wide

**33 Management Flexibility Reduction**

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

(\$567,379) R

## Budget Changes

(\$567,379) R

\$1,347,397 NR

## Total Position Changes

## Revised Total Budget

\$29,148,975

## Treasurer

GENERAL FUND

---

Total Budget Approved 2011 Session

FY 12-13

\$6,621,750

---

## Budget Changes

## 1310 - Local Government Operations

**34 Audit, Integrated Debt, And Fiscal Management System**

Funds the acquisition of an electronic audit management system and the development and implementation of a debt management system. The Department received authorization for the first phase of the project in FY 2011-12 regarding a document management system. This is the second phase of the project. Funding for the project is from fees assessed by the Department on debt issuances which were previously approved by the General Assembly. Total cost for the system in FY 2012-13 is \$1,082,219 with \$200,419 recurring and \$881,800 non-recurring.

## 1510 - Financial Operations Division

**35 Banking System Upgrade**

Funds the Department of State Treasurer's portion of the upgrade of the State's Cash Management System that is utilized by the State's Pension Fund. This is a joint project between the Department of the State Treasurer and the Office of the State Controller. The portions not related to the State's Pension Fund shall be funded by an appropriation to the Office of the State Controller. The total amount authorized to be used by the Department of the State Treasurer is \$2,052,000 in FY 2012-13.

---

Budget Changes

Total Position Changes

Revised Total Budget

\$6,621,750

---



Treasurer - Retirement for Fire and Rescue

GENERAL FUND

---

Total Budget Approved 2011 Session

FY 12-13  
\$17,812,114

---

Budget Changes

36 No Changes

---

**Budget Changes**

Total Position Changes

**Revised Total Budget**

**\$17,812,114**

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# **TRANSPORTATION**

## **Section K**

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## Senate Subcommittee on Transportation

### Highway Fund

HIGHWAY FUND
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FY 12-13
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Total Budget Approved 2011 Session

\$2,134,160,000

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#### Budget Changes

#### Administration

##### 1 Information Technology

\$2,020,000 R

Appropriates additional funds to support telecommunication (\$750,000) and data processing costs (\$930,000), as well as lease requirements (\$340,000).

##### 2 Information Technology - Combined Registration and Tax Collection System

Budgets receipts from the Combined Motor Vehicle and Registration Account to support development and implementation costs for the Combined Motor Vehicle Registration and Property Tax Collection System. Receipts budgeted for FY 2012-13 total \$2,267,963 recurring and \$12,290,309 non-recurring.

##### 3 Fiscal - Combined Registration and Tax Collection System

Authorizes six (6) receipt-supported positions to oversee the collection of registration fees and property taxes in advance of the July 1, 2013 implementation date for the Combined Motor Vehicle Registration and Property Tax Collection System. Pre-implementation functions include initiation of system projects and changes which affect revenue capture and reporting from the: State Registration and Titling System (STARS), Vehicle Property Tax System (VPT), State Automated Driver's License System (SADLS), Fuel Tax Compliance System (FuelTacs), SAP, the Division of Motor Vehicles (DMV) Bad Debt System, and other DMV subsystems.

Budgeted receipts for FY 2012-13 total \$370,038 recurring and \$121,806 non-recurring, per transfers from the Combined Motor Vehicle and Registration Account.

Effective dates for the authorized positions are shown below:

Grade	Position Title	Effective Date
Banded - J	Accounting Manager	07/01/2012
Banded - A	Accountant	08/01/2012
Banded - C	Accountant	09/01/2012
Banded - J	Accounting Technician	09/01/2012
Banded - C	Accountant	12/01/2012
Banded - J	Accounting Technician	12/01/2012

**Construction****4 Contingency Fund**

Appropriates \$22,000,000 of accumulated unencumbered fund balance from the Contingency Fund.

**5 Secondary Roads**

(\$17,737,270) R

Reduces funding to the secondary system construction program to meet new revenue target. The total budget is \$35,742,912 in FY 2012-13.

**Department-wide****6 Personnel Reduction**

(\$588,561) R

Eliminates 70 vacant positions throughout the Department, including: nine (9) positions funded with Highway Funds; 12 receipt-supported Highway Trust Fund positions totaling \$661,669; and 49 field positions totaling \$3,439,178. The total includes salary, benefits, and an employee cost multiplier of 2.31%. DOT is directed to identify the 12 receipt-supported Highway Trust Fund and 49 field positions for elimination. The nine (9) positions funded with Highway Funds are:

-9.00

## - Asset Management:

2 vacant HF: 60027653 Engineering Director  
60027656 Technical Trainer

## - Information Technology:

1 vacant HF: 60015188 Business & Technology Analyst

## - Fiscal Management:

1 vacant HF: 60015370 Processing Asst IV

## - Purchasing:

2 vacant HF: 60015403 Departmental Purchasing Agent I  
60015404 Processing Asst IV

## - Human Resources:

3 vacant HF: 60027540 Personnel Technician III  
60015027 Personnel Analyst II  
60015026 Personnel Analyst II

## Division of Motor Vehicles

**7 Adjust Driver License Credit/Debit Costs**

Reduces funds budgeted for credit/debit card transaction costs based on the revised implementation timeline for the Next Generation Secure Driver License System (NGSDLS) and a rate reduction for Information Technology Services (ITS) common payment services. Phased implementation of the NGSDLS is targeted for January 2013.

(\$792,641) NR

**8 Bulk Data Fee Receipts**

Adjusts net appropriations per projected FY 2012-13 bulk data fee receipts.

\$4,000,000 R

**9 Internal Consolidation**

Consolidates the Division of Motor Vehicles (DMV) fiscal, human resources, information technology, facility management, and associated functions assigned to the "DOT PAM/PD DMV II Operations" and "DOT PAM/PD DMV II Operations Budget" organizational units among respective central administrative units of the Department of Transportation.

(\$747,667) R

-13.00

The following positions are eliminated effective July 31, 2012, per this restructuring:

Position Number	Position Title
-----------------	----------------

60029792	Administrative Assistant
60029795	Technology Support Analyst
60029798	Safety Officer II
60029799	Business Officer
60030094	Administrative Officer III
60029837	Departmental Purchasing Agent I
60029839	Accountant
60030103	Processing Assistant IV
60030155	Processing Assistant V
60030157	Processing Assistant V
60030165	Administrative Assistant I
60030168	Departmental Purchasing Agent I
60030596	Accountant
60030925	Departmental Purchasing Agent I
60088760	Accountant

To supplement administrative support for the Division of Motor Vehicles, two (2) full-time, permanent positions are created within the Division of Motor Vehicles Office of the Commissioner effective July 1, 2012.

Respective classifications and funding are:

Grade	Position Title	Position Cost
-------	----------------	---------------

Banded - J     Accountant     \$76,835  
 Banded - J     Accountant     \$76,835

Net recurring savings per this restructuring total \$747,667 for FY 2012-13.  
 Annualized savings, beginning in FY 2013-14, total \$829,606.

An additional \$303,675 is appropriated, per item 22, on a non-recurring basis for estimated severance payments incurred during FY 2012-13.

#### 10 Driver License Program Continuation Review

\$47,713,947     R

Restores recurring funds held in reserve for the Driver License Program per continuation review.

#### 11 DMV - Combined Registration and Tax System

Authorizes 43 receipt-supported positions, of which 22 are time-limited, within the Vehicle Services Section to implement and administer the Combined Motor Vehicle Registration and Property Tax Collection System. This authorization includes: four (4) Staff Development Specialist I positions to conduct training in advance of system implementation; four (4) Administrative Assistant II positions to assist license plate agencies by recording and resolving system problems; two (2) Title Examiner Supervisor I positions to supervise call center employees; four (4) Information Processing Technicians to support transaction volumes at the Raleigh and Charlotte offices; 25 Information Processing Technicians to resolve customer service requests; and, four (4) Processing Assistant IV positions to accommodate increases in mailings and internet renewals. Time-limited positions shall terminate no later than June 30, 2014.

Budgeted receipts for FY 2012-13 total \$1,407,763 recurring and \$1,802,955 non-recurring. Non-recurring costs include equipment acquisitions to implement credit/debit payments at license plate agencies and State offices. These costs are offset by corresponding transfers from the Combined Motor Vehicle and Registration Account.

Effective dates for the authorized positions are shown below:

Grade	Position Title	Effective Date	FTE
67	Staff Development Specialist I	07/01/2012	1.00
67	Staff Development Specialist I - TL	07/01/2012	3.00
65	Administrative Assistant II	10/01/2012	2.00
65	Administrative Assistant II - TL	10/01/2012	2.00
64	Title Examiner Supervisor I	10/01/2012	2.00
63	Information Processing Technician	10/01/2012	14.00
63	Information Processing Technician - TL	10/01/2012	15.00
59	Processing Assistant IV	04/01/2013	2.00
59	Processing Assistant IV - TL	04/01/2013	2.00



## Intermodal

**12 Public Transportation Division - New Starts**

(\$28,972,845) R

Eliminates the New Start & Regional Capital grant program within the Public Transportation Division. The remaining unexpended program balance within the Highway Fund is transferred to the General Maintenance Reserve.

**13 Rail Division - Personnel Reduction**

Eliminates one (1) vacant, receipt-supported field position (60015656 Engineering Technician) totaling \$74,900 in estimated operating savings.

**14 Ferry Division - Dredge Replacement Project**

Adjusts funding for the dredge build project per the engineer's estimate of total project cost.

(\$3,000,000) NR

**15 Ferry Division - Personnel Reduction**

Eliminates nineteen (19) vacant, receipt-supported field positions totaling \$787,294 in estimated operating savings. The total includes salary, benefits, and an employee cost multiplier of 2.31%. FTE reductions are as follows:

Position Number	Position Title
-----------------	----------------

60018911	Office Assistant III
60018566	Processing Assistant III
60018501	Ferry Crew Member I
60018533	Security Guard
60018538	Security Guard
60018611	Security Guard
60018617	Security Guard
65009109	Security Guard
65009108	Security Guard
60089130	Ferry Crew Member I
60018643	Security Guard
60018667	Security Guard
60018729	Security Guard
65009103	Security Guard
60018490	Dredge Deckhand
60018796	Ferry Master
60018883	Maintenance Mechanic IV
60018872	Processing Assistant IV
60018864	Processing Assistant III

**Maintenance**

- |   |                |   |
|---|----------------|---|
| <b>16 Primary System</b>  | (\$29,562,116) | R |
| Reduces funding to the primary system maintenance program to meet new revenue target. The total budget is \$152,408,682 in FY 2012-13.  |                |   |
|   |                |   |
| <b>17 Secondary System</b>  | (\$11,824,846) | R |
| Reduces funding to the secondary system maintenance program to meet new revenue target. The total budget is \$252,686,978 in FY 2012-13.  |                |   |
|   |                |   |
| <b>18 System Preservation</b>   | \$520,014      | R |
| Per G.S. 119-18(b), increases system preservation by \$520,014 from cuts made to the Department of Revenue's Taxpayer Collection Division for motor fuel enforcement and auditing. The total budget is \$235,504,017 in FY 2012-13. |                |   |

**Reserves**

- |   |               |    |
|---|---------------|----|
| <b>19 Compensation Adjustment and Performance Pay Reserve</b>   | (\$4,906,715) | R  |
| Eliminates the reserve in FY 2012-13.   |               |    |
|   |               |    |
| <b>20 Highway Fund Reserve for Compensation Increases</b>   | \$4,668,590   | R  |
| Provides funding to support an annual salary increase of 1.2% to permanent employees whose salaries are supported by Highway Fund appropriations.                                   |               |    |
|   |               |    |
| <b>21 Disability Income Plan of North Carolina</b>  | (\$255,000)   | R  |
| Reduces the State's contribution to the Disability Income Plan from .52% of payroll to .44% of payroll (a .08% reduction) as a result of the December 31, 2010 actuarial valuation. |               |    |
|   |               |    |
| <b>22 Severance Expenditure Reserve</b>   | \$303,675     | NR |
| Increases funding for severance salary continuation payments and health benefit coverage under the State Health Plan for employees reduced-in-force.                                |               |    |
|   |               |    |
| <b>23 State Retirement System Contributions - State Highway Patrol Transfer</b>   | (\$4,000,000) | R  |
| Adjusts the budgeted retirement contribution to the Teachers' and State Employees' Retirement System for 2012-13 per the transfer of the State                                      |               |    |

## Senate Subcommittee on Transportation

<b>FY 12-13</b>
-----------------

Highway Patrol to the General Fund.

**24 State Health Plan - State Highway Patrol Transfer**

(\$1,000,000) R

Adjusts funding for the State Health Plan per the transfer of the State Highway Patrol to the General Fund.

**25 Global TransPark**

(\$152,000) R

Reduces operating assistance to the Global TransPark by \$152,000. FY 2012-13 appropriations total \$1.0 million.

**26 Reserve for Continuation Review**

(\$47,713,947) R

Eliminates the internal reserve for the Driver License Program per restoration of funding.

### Revenue Availability

**27 Inspection Program Account Balance**

Notwithstanding G.S. 20-183.7(d) to appropriate \$11.0 million from the Inspection Program Account balance. Highway Fund availability is adjusted accordingly.

**28 Civil Penalty Collections**

Reduces estimated Highway Fund revenue by \$22.0 million to reflect a change in accounting procedure. Rather than recording civil penalty proceeds as revenue, the clear proceeds of all civil penalties, civil forfeitures, and civil fines collected by the Department of Transportation for transfer to the Civil Penalty and Forfeiture Fund shall be recorded as receipts and budgeted in a receipt-supported fund center for transfer to the Civil Penalty and Forfeiture Fund.

**29 Division of Motor Vehicles - Limited Learner Permit**

Increases projected driver license revenues by \$3.18 million per the establishment of a \$45 supplemental fee to be paid by limited learner permit applicants who participated in public driver education programs.

**Statutory Adjustments**

- 30 Aid to Municipalities** (\$912,604) R  
 Reduces funds for State Aid to Municipalities for FY 2012-13, consistent with new revenue estimates and G.S. 136-41.1.

**Transfers**

- 31 State Retirement System Contributions - State Highway Patrol Transfer** \$4,000,000 R  
 Adjusts the budgeted retirement contribution to the Teachers' and State Employees' Retirement System for 2011-12 and 2012-13 per the transfer of the State Highway Patrol to the General Fund. \$3,000,000 NR
- 32 State Health Plan Contribution - State Highway Patrol Transfer** \$1,000,000 R  
 Adjusts the budgeted contribution for the State Health Plan in 2012-13 per the transfer of the State Highway Patrol to the General Fund.
- 33 Department of Revenue - Taxpayer Collections (Motor Fuels)** (\$520,014) R  
 Eliminates ten (10) vacant positions for a total personnel savings of \$488,014. Other costs to support these personnel, such as travel, per diem, and supplies are reduced by \$32,000. The savings transferred to System Preservation total \$520,014.
- The positions eliminated include eight (8) Motor Fuel Auditors and two (2) Law Enforcement Agents. The position numbers supported by the Highway Fund are 60083149, 60083173, 60083153, 60083182, 60083177, 60083178, 60083201, and 60083205. Two positions supported with federal funds are 65007466 and 65007490.
- 34 Motor Carrier Safety Assistance Program (MCSAP)** \$330,000 R  
 Increases budgeted State matching funds to match \$6.0 million in anticipated federal MCSAP basic and incentive grants administered by the Department of Public Safety, State Highway Patrol. Appropriated matching and maintenance of effort funds total \$1,980,458.
- 35 Civil Penalty and Forfeiture Fund** (\$22,000,000) R  
 Eliminates the appropriated reserve (84210-0889) historically used to budget civil penalty collections and transfer funds to the Civil Penalty and Forfeiture Fund. Civil penalties are instead budgeted as receipts to better account for the annual fluctuation in collections, and to establish consistency in statewide accounting procedures. Estimated Highway Fund revenue is reduced accordingly.

## Senate Subcommittee on Transportation

FY 12-13

Per FY 2012-13 projections, an estimated \$29.88 million will be transferred to the Civil Penalty and Forfeiture Fund.

**36 Department of Public Instruction - Driver Education Program**

\$3,180,000 R

Appropriates \$3.18 million for driver education funding per repeal of S.L. 2011-145, Sec. 31.1 and establishment of a new \$45 supplemental fee for a (GDL-1) limited learner permit.

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**Budget Changes**

(\$103,461,034) R

(\$488,966) NR

**Total Position Changes**

-22.00

**Revised Total Budget**\$2,030,210,000

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Senate Subcommittee on Transportation

## Highway Trust Fund

<b>HIGHWAY TRUST FUND</b>
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<b>FY 12-13</b>
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**Total Budget Approved 2011 Session**

**\$1,086,910,000**

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### Budget Changes

#### Administration

**37 Statutory Adjustment to Program Administration**

**(\$1,516,320) R**

Decreases funds for Program Administration for FY 2012-13 consistent with new revenue estimates and G.S. 136-176(b). The total budget is \$45,590,880 in FY 2012-13.

#### Aid to Municipalities

**38 Statutory Adjustment to Aid to Municipalities Allocation**

**(\$979,789) R**

Decreases funds for State Aid to Municipalities for FY 2012-13, consistent with new revenue estimates and G.S. 136-176(b)(3). The total budget is \$53,063,643 in FY 2012-13.

#### Construction

**39 Urban Loops**

**(\$3,775,957) R**

Reduces funds for Urban Loops by 25.05% of the total amount needed to balance the Highway Trust Fund in accordance to the formula in G.S. 136-176(b)(2). The total budget is \$209,182,029 in FY 2012-13.

**40 Intrastate System**

**(\$9,338,145) R**

Reduces funds for the Intrastate System by 61.95% of the total amount needed to balance the Highway Trust Fund in accordance to the formula in G.S. 136-176(b)(1). The total budget is \$478,164,889 in FY 2012-13.

**41 Secondary Roads**

**(\$979,789) R**

Reduces funds for Secondary Roads by 6.5% of the total amount needed to balance the Highway Trust Fund in accordance to the formula in G.S. 136-176(b)(4). The total budget is \$48,341,155 in FY 2012-13.

## Senate Subcommittee on Transportation

FY 12-13

## Mobility Fund

**42 Mobility Fund**

\$45,000,000 R

Transfers funds in the DOT Prioritization Reserve to the Mobility Fund and transfers \$32.5 million in unneeded FY 2012-13 gap funds appropriated to the Garden Parkway and Mid-Currituck Bridge projects.

\$32,500,000 NR

**43 DOT Prioritization Reserve**

(\$45,000,000) R

Eliminates the DOT Prioritization Reserve.

## Turnpike Authority

**44 Mid-Currituck Bridge Project**

Reallocates \$15,000,000 of unencumbered gap funds appropriated in FY 2011-12 to the Mid-Currituck Bridge project.

**45 Gap Funds**

Eliminates the FY 2012-13 gap funding to the Garden Parkway and the Mid-Currituck Bridge projects based on a determination by DOT that these two projects will not issue debt until FY 2013-14.

(\$32,500,000) NR

**Budget Changes**

(\$16,590,000) R

\$0 NR

**Total Position Changes****Revised Total Budget**

\$1,070,320,000

Senate Subcommittee on Transportation

Turnpike Authority

TURNPIKE AUTHORITY
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FY 12-13
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Total Budget Approved 2011 Session

\$3,642,571

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Budget Changes

Turnpike Authority Administration

**46 Reduces Operating Funds**

(\$336,193) R

Eliminates three (3) vacant receipt-supported positions totaling \$336,193.  
The total includes salary, benefits, and an employee cost multiplier of 2.31%.

60088764 Engineering Manager

65004640 Technology Support Specialist

65007229 Business Officer

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**Budget Changes**

(\$336,193) R

Total Position Changes

**Revised Total Budget**

**\$3,306,378**

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

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# Statewide Reserves

GENERAL FUND

FY 12-13

Total Budget Approved 2011 Session

\$1,415,660,126

## Budget Changes

### A. Employee Benefits

#### 1 Compensation and Performance Pay Reserve

(\$121,105,840) R

The balance in this reserve is transferred to the Reserve for Compensation Increases and Personnel Flexibility.

#### 2 Reserve for Compensation Increases and Personnel Flexibility

\$159,984,426 R

Provide funds to support salary increases for employees of State agencies, departments, and university SPA employees and to support salary increases and personnel flexibility for university EPA employees, and employees of community college institutions and public schools.

#### 3 State Agency/Department Salary Increases

Provides up to \$30,046,765 to support an annual salary increase of 1.2% for permanent employees of State agencies and departments.

#### 4 Public School Salary Increases/Personnel Flexibility

Provides up to \$84,964,142 to local school administrative units for personnel expenditures. Local school administrative units may use these funds to award compensation increases to employees including but not limited to merit increases, across-the-board increases, recruitment bonuses, retention increases, and other bonuses pursuant to local personnel policies; to offset the LEA flexibility adjustment; and to employ personnel. No compensation increase awarded shall modify an employee's placement on a State salary schedule.

#### 5 Community College Salary Increases/Personnel Flexibility

Provides up to \$14,102,935, the amount necessary to support a 1.2% annual salary increase, to State-funded community college employees. The State Board of Community Colleges may use these funds to award compensation increases to employees, including but not limited to merit increases, across-the-board increases, recruitment bonuses, retention increases, and other increases pursuant to applicable personnel policies; to offset the management flexibility reduction; and to employ personnel.

**6 University Salary Increase/Personnel Flexibility**

Provides up to \$8,649,234 for SPA employees and \$22,221,350 for EPA employees, the amount necessary to support a 1.2% annual salary increase. Permanent university SPA employees shall receive a 1.2% annual salary increase. The University Board of Governors may use funds designated for EPA faculty and EPA nonfaculty to award compensation increases to EPA employees including but not limited to merit increases, across-the-board increases, recruitment bonuses, retention increases, and other increases pursuant to applicable personnel policies; to offset the management flexibility reduction; and to employ personnel.

**7 Highway Fund Reserve for Compensation Increases**

Provides funding in the amount of \$4,668,590 recurring to support an annual salary increase of 1.2% to permanent employees whose salaries are supported by Highway Fund appropriations.

**8 Retirement Systems Cost of Living Increase**

Provides a 1.0% cost of living adjustment to retirees of the Teachers' and State Employees' Retirement System effective July 1, 2012 at a cost of \$32,142,000 annually.

Also, provides a 1.0% cost of living adjustment to retirees of the Legislative Retirement System effective July 1, 2012 at a cost of \$21,000.

**9 Consolidated Judicial Retirement System**

\$100,000 R

Increases the State's contribution for Fiscal Year 2012-2013 to provide a 1.0% cost-of-living adjustment for retirees of the Consolidated Judicial Retirement System at a cost of \$385,000 annually. This adjustment is funded in part with actuarial gains within the Retirement System.

**10 Disability Income Plan of North Carolina**

(\$8,688,000) R

Reduces the State's contribution to the Disability Income Plan from .52% of payroll to .44% of payroll (a .08% reduction) as a result of the December 31, 2010 actuarial valuation.

**B. Other Reserves****11 One North Carolina Fund**

\$9,000,000 R

Provides recurring funding for the One North Carolina Fund. A corresponding special provision changes the funding basis to cash flow. The Fund currently has a cash balance of over \$60.0 million. \$10.0 million will remain in the Fund and \$50.0 million will be transferred to the General Fund.

**12 VIPER Reserve**

\$25,000,000 NR

Authorizes the State Highway Patrol to use up to \$25 million in FY 2012-13 for the Voice Interoperability Plan for Emergency Response (VIPER) system. Funds may be used for construction of the remaining 23 towers and for migrating existing and new sites to P25 technology.

**13 Job Development Investment Grant Reserves**

(\$6,500,000) NR

Reduces the funding for Job Development Investment Grants to the amount needed to meet projected needs for FY 2012-13 grant payments.

## Senate Committee on Appropriations/Base Budget

<b>FY 12-13</b>
-----------------

**14 Information Technology Fund**

Continues reduction in IT consolidation funding taken by the Office of State Budget and Management in FY 2011-12.

(\$750,000) NR

**15 Continuation/Justification Review Reserve**

Eliminates reserve due to the distribution of funds to agencies with programs under review.

(\$35,576,758) NR

**C. Debt Service****16 Adjust Debt Service Payments**

(\$52,904,635) R

---

**Budget Changes**

(\$13,614,049) R

(\$17,826,758) NR

**Total Position Changes****Revised Total Budget**\$1,384,219,319

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## State Health Plan (Administration)

Budget Code: 28410

	FY 2012-13	
<b>Beginning Unreserved Fund Balance</b>	<b>\$40,005</b>	
<b>Recommended Budget</b>		
Requirements	<b>\$183,604,143</b>	
Receipts	<b>\$183,604,143</b>	
Positions	<b>42.00</b>	
<hr/>		
<b>Legislative Changes</b>		
<b>Requirements:</b>		
<b>Other Administrative Cost</b>	\$328,332	R
Creates three new staff positions to administer a Medicare Part D Employer Group Waiver Plan (EGWP) that will reduce the State Health Plan's cost of drug coverage.	\$10,200	NR
	3.00	
<b>Pharmacy Benefits Management Contract</b>	\$5,444,717	R
Increases the budgeted amount for the Pharmacy Benefit Management Contract to cover fees to administer a Medicare Part D Employer Group Waiver Plan (EGWP) that will reduce the State Health Plan's cost of drug coverage.	\$0	NR
	0.00	
<b>Subtotal Legislative Changes</b>	<b>\$5,773,049</b>	R
	<b>\$10,200</b>	NR
	3.00	
<hr/>		
<b>Receipts:</b>		
<b>Increase Transfers from Trust Funds</b>	\$5,773,049	R
Increases the amount of transfer from the Plan's health benefit trust fund budget codes to support administrative costs related to Medicare Part D Employer Group Waiver Plan (EGWP).	\$10,200	NR
<b>Subtotal Legislative Changes</b>	<b>\$5,773,049</b>	R
	<b>\$10,200</b>	NR

## Senate Appropriations

FY 2012-13

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<b>Revised Total Requirements</b>	<b>\$189,387,392</b>
<b>Revised Total Receipts</b>	<b>\$189,387,392</b>
<b>Change in Fund Balance</b>	<b>\$0</b>
<b>Total Positions</b>	<b>45.00</b>

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<b>Unappropriated Balance Remaining</b>	<b>\$40,005</b>
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# **CAPITAL**

## **Section M**

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# Capital

<b>GENERAL FUND</b>
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**Department of Environment and Natural Resources**

**1 Water Resources Development Projects**

Provides funds for the State's share of Water Resources Development Projects. Funds will provide a State match for \$86.39 million in federal funds. The projects are listed in a special provision.	\$5,000,000	NR
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Total Appropriation to Capital	\$5,000,000	NR
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**INFORMATION  
TECHNOLOGY  
SERVICES  
Section N**

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## Information Technology Fund

Budget Code: 24667

**FY 2012-13****Beginning Unreserved Fund Balance****\$794,928****Recommended Budget**

Requirements

**\$6,183,142**

Receipts

**\$6,158,142**

Positions

**31.00****Legislative Changes****Requirements:****Information Technology Consolidation Reduction**

\$0 R

Reduces IT Consolidation by \$250,000 and transfer that amount to the General Fund to reflect previous year OSBM reduction to the IT Fund.

(\$250,000) NR

0.00

**Provide Architecture and Engineering Strategists**

\$270,000 R

Increases Architecture and Engineering funding to provide a Computer Strategist and a Network Strategist to build roadmaps and assessments to support Office of Information Technology Services systems and services deployments. Transfers two positions from the Information Technology Internal Service Fund to support this effort.

\$0 NR

2.00

**Reduction to CGIA Appropriation**

(\$137,476) R

Reduces appropriation for the Center for Geographic Information and Analysis and transfer requirements to receipt support.

\$0 NR

0.00

**Increase Appropriation to CJIN**

\$12,404 R

Increases appropriation to the Criminal Justice Information Network to include overhead costs.

\$0 NR

0.00

**Funding for State Website**

\$150,000 R

Provides funding to support current State website.

\$0 NR

0.00

FY 2012-13

<b>Subtotal Legislative Changes</b>	<b>\$294,928</b>	R
	<b>(\$250,000)</b>	NR
	2.00	

---

**Receipts:**

<b>Information Technology Fund Interest</b>	\$25,000	R
Accounts for the interest generated by the Information Technology Fund.	\$0	NR

<b>Transfer to General Fund</b>	\$0	R
Transfers portion of carryforward balance to the General Fund.	(\$750,000)	NR

<b>Subtotal Legislative Changes</b>	<b>\$25,000</b>	R
	<b>(\$750,000)</b>	NR

---

Revised Total Requirements	<b>\$6,228,070</b>
Revised Total Receipts	<b>\$5,433,142</b>
<b>Change in Fund Balance</b>	<b>(\$794,928)</b>
<b>Total Positions</b>	<b>33.00</b>

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<b>Ending Unreserved Fund Balance</b>	<b>\$0</b>
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## Information Technology Internal Service Fund

Budget Code: 74660

**FY 2012-13****Beginning Unreserved Fund Balance****\$34,643,121****Recommended Budget**

Requirements

**\$189,626,312**

Receipts

**\$189,095,142**

Positions

**531.00****Legislative Changes****Requirements:****Reduction to IT Internal Service Fund**

\$0 R

Requires the Office of the State Chief Information Officer and the Office of Information Technology Services to reduce requirements for the Information Technology Internal Service Fund to reflect a reduction of 24 positions (\$2,588,162), elimination of lease costs (\$491,302), delay in replacement of lighting (\$780,000), transfer of two positions to the IT Fund (\$270,000), return internal auditors to OSBM (\$170,152), elimination of in-kind services (\$266,979), Gartner seat reductions (\$270,155), email increase (\$500,000), hosting exemption for the Department of Transportation that eliminates the need for ITS hosting (\$2,500,000), and elimination of proposed increases in hosting contracts (\$7,929,219).

(\$15,765,969) NR

-26.00

Eliminated positions include:

60087660, 65010103, 60087301, 60087342, 65000716, 60087484, 60087378, 60087439, 60087526, 65000533, 60089793, 60087677, 60087592, 60087668, 65000051, 60087657, 60087672, 60087643, 60093435, 60087699, 60087637, 60087701, 60089800, 65000708.

**Transfer to General Fund**

\$0 R

Transfers \$14 million in allowable receipts in excess of 40-day balance to the General Fund.

\$14,000,000 NR

0.00

**Subtotal Legislative Changes****\$0 R****(\$1,765,969) NR**

-26.00

**Receipts:**

Information Technology

Senate Report on Information Technology

**FY 2012-13**

**Reduction to IT Internal Service Fund**

\$0 R

Reduces receipts for IT Internal Service Fund to reflect reduction in requirements.

(\$15,765,969) NR

**Subtotal Legislative Changes**

\$0 R

(\$15,765,969) NR

---

Revised Total Requirements

**\$187,860,343**

Revised Total Receipts

**\$173,329,173**

**Change in Fund Balance**

**(\$14,531,170)**

**Total Positions**

**505.00**

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**Ending Unreserved Fund Balance**

**\$20,111,951**

