1997

HOUSE APPROPRIATIONS – NATURAL & ECONOMIC RESOURCES

MINUTES

APPROPRIATIONS SUB-COMMITTEE

ON

NATURAL AND ECONOMIC RESOURCES

HOUSE OF REPRESENTATIVES

1997 SESSION

Representative Frank Mitchell
Senior Co-Chair
Representative Rex L. Baker
Representative James C. Carpenter
Co-Chairs

House Appropriations Sub-Committee

Natural & Economic Resources

1997-98 Session

Co-chairs



Frank Mitchell(SRM)



Rex L. Baker



Jim Carpenter



Bill Owens
Ranking Minority Member

House Appropriations Sub-Committee

Natural & Economic Resources

1997-98 Session

Members



Arlie F. Culp



Stan Fox



Bobby Hall



Howard J. Hunter, Jr.



Joe Tolson



John H. Weatherly



Michael S. Wilkins

HOUSE APPROPRIATIONS SUB-COMMITTEE ON NATURAL AND ECONOMIC RESOURCES

1997 SESSION

Member Clerk	Office Address	Tel #
Rep. Frank Mitchell, Co-Chair Susan Thomason, Clerk	Room 638, LOB	3-5959
Rep. Rex L. Baker, Co-Chair Jo Hinton, Clerk	Room 632, LOB	3-5787
Rep. James C. Carpenter, Co-Chair Kara McCraw, Clerk	Room 537, LOB	3-5777
Rep. William C. Owens, Jr., RMM Marie Sheets	Room 608, LOB	3-0010
Rep. Arlie F. Culp Waneta Lord	Room 1010, LB	3-5865
Rep. Stan H. Fox Sue Buehlmann	Room 1217, LB	3-5757
Rep. Bobby Ray Hall Billie Stevens	Room 637, LOB	3-5906
Rep. Howard J. Hunter, Jr. Barbara Phillips	Room 613, LOB	3-2962
Rep. Joe P. Tolson Gayle Christian	Room 609, LOB	3-5607
Rep. John H. Weatherly Debbie Puckett	Room 503, LOB	3-5849
Rep. Michael S. Wilkins Lillie Pearce	Room 1220, LB	3-5746

ATTENDANCE

House APPROPRIATIONS Sub-committee on Natural & Economic Resources

DATES	4/17	5/6	5/6	5/7	5/7	5/8	5/14	5/14	5/19	5/20	5/20	5/21	5/21	5/22	5/28
Chairs	9:00 am	8:30 am	3:00 PM	8:30 am	3:45 pm	8:30 AM	8:30 AM	3:40 p.m.	2:00 PM	8:30 AM	4:20 PM	8:30 A.M.	4:25 PM	8:30 am	9:15 am
Frank Mitchell (SRM)	* ✓	* ✓	* ✓	✓	✓	✓	—	—	—	✓	✓		—	✓	✓
Rex L. Baker	✓	✓	✓	✓	—	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Jim Carpenter	✓	✓	✓	✓	—	✓	✓	✓	✓	✓	✓	—	✓	✓	✓
Members															
Arlie F. Culp	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Stan Fox	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Bobby Hall	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓
Howard J. Hunter, Jr.	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓
Bill Owens	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓
Joe Tolson	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
John H. Weatherly	✓	✓	✓	✓	✓	✓			✓	✓	✓	✓	✓	✓	✓
Michael S. Wilkins	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓		✓	✓	✓
George M. Holmes	✓														
James Crawford, Jr.															
Billy Creech															
Theresa Esposito															
Ex officio															
Leo Daughtry															
Julia Howard															
Steve Wood															

ATTENDANCE

House APPROPRIATIONS Sub-committee on Natural & Economic Resources

DATES	6/11	6/23	7/7	7/10											
Chairs	9:15 a.m.	2:00 PM	2:00 PM	12:00 pm											
Frank Mitchell (SRM)	✓	✓	✓	✓											
Rex L. Baker	✓	✓	✓	✓											
Jim Carpenter	✓	✓	✓	✓											
Members															
Arlie F. Culp		✓	✓	✓											
Stan Fox		✓	✓	✓											
Bobby Hall	✓	✓	✓	✓											
Howard J. Hunter, Jr.	✓			✓											
Bill Owens		✓	✓	✓											
Joe Tolson	✓	✓	✓	✓											
John H. Weatherly	✓	✓		✓											
Michael S. Wilkins	✓	✓		✓											
George M. Holmes															
James Crawford, Jr.															
Billy Creech															
Theresa Esposito															
Ex officio															
Leo Daughtry															
Julia Howard															
Steve Wood															

JOINT MEETINGS OF THE APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC RESOURCES - 1997

February 18, 1997

February 19, 1997

February 20, 1997

February 25, 1997

February 26, 1997

February 27, 1997

March 3, 1997

March 4, 1997

March 5, 1997

March 6, 1997

March 10, 1997

March 11, 1997

March 12, 1997

March 17, 1997

March 18, 1997

March 20, 1997

March 24, 1997

Records of these meetings can be found in the notebooks of the Joint Meetings of the House and Senate Appropriations Subcommittees on Natural and Economic Resources for 1997.

BILL RECORD

House Appropriations Sub-Committee on

Natural and Economic Resources

1997 Session

The following is a list of bills that were considered during the 1997 Session. All information pertaining to each bill can be found under the corresponding date tab as listed.

House Bill 998	Southern Dairy Compact	June 11, 1997
House Bill 1011	Low Pressure Pipe Emergency Fund	June 23, 1997 July 7, 1997
House Bill 565	Wake Omnibus Act	July 10, 1997

Minutes

House Appropriations Sub-Committee on

Natural and Economic Resources

April 17, 1997 - 9:00 a.m.

The House Appropriations Sub-Committee on Natural and Economic Resources met Thursday, April 17, 1997 at 9:00 a.m. in Room 605 of the Legislative Office Building. Representative Frank Mitchell, Senior House Co-Chair, called the meeting to order at 9:05 a.m. All Sub-Committee members were present including Representative Holmes.

After introductions, Representative Mitchell explained the purpose of the meeting was to ask questions about funds that were spent for a fall extravaganza by the Northeast Economic Development Commission which falls under the Department of Commerce. While the members were waiting for handouts to be distributed, Representative Weatherly asked if all regional economic development commissions were given the same amount of appropriation from the budget of the 1996-97 Session. Mark Trogdon of the Fiscal Research Division explained how much each commission received in allocations. The Northeast Commission received $1,093,954 and the total allocations was $4.68 million. Representative Mitchell explained that during the overview of the Department of Commerce, it was noted that the Northeast Partnership took credit for creating 200 jobs at the cost of $7,500 per job in comparison to $70 per job in the Research Triangle Park. The item was flagged for further consideration by the Sub-Committee. Rick Webb, Director of the Northeast Office for the Department of Commerce, introduced Rick Watson who is Executive Director of the Northeast Economic Development Commission. Mr. Webb clarified how funding is allocated on a distress formula which is figured by un-employment on a per capita income and population migration. Representative Mitchell asked Mr. Watson what other sources of funding did the Commission receive. Mr. Watson replied the Commission receives from the private sector a yearly average of $50,000 to $100,000, and those funds come from financial institutions and utilities. Representative Mitchell explained the reason for calling the meeting was he had learned that the Commission had sponsored a Fall Extravaganza where tax dollars were used for golf and cash prizes, liquor, polo shirts, and he wanted a full explanation of where the money came from. Mr. Watson expressed he considers the Commission to be a public-private partnership. Half the funds for the event were raised by that partnership, and he felt would cover the cost of activities. Mr. Watson continued by saying the Commission uses State funds for marketing and promoting. Representative Mitchell asked if funds were sought from the partnership solely for the purpose of the event or for the budget in which Mr. Watson replied the funds were sought solely for the event. He continued by explaining how the Commission goes about to seek funds for investment, travel and tourism, and infrastructure. Events such as this give the area a chance to be exposed to

people who may bring business to the four counties of northeastern North Carolina in the future. Mr. Watson gave a chronological account of the events of the weekend and how the event created unity and pride within the Partnership. He told the Sub-Committee about a meeting scheduled for today in Elizabeth City with representatives from five banks and five utility companies that will potentially pledge $2.5 million to the Partnership for the next five years. Representative Mitchell asked J.W. Reel of the Office of Budget and Management about the State's policy on the purchase of alcohol in which he replied state funds are not to be used for the purchase of alcohol (Mr. Reel read the policy verbatim). The policy also states the purchase of alcohol must be made from funds solely by the individual and cannot be included in registration fees. Representative Baker asked when the meeting in Elizabeth City originally scheduled in which Mr. Watson explained the concept of the meeting was envisioned six months ago and was setup thirty days ago. Representative Owens explained the background history of the Commission. Representative Hall voiced his concern about money spent for consulting fees and gift in which Mr. Watson responded the consulting fees helped the Commission find out what the needs of the area were, the interests of the residents, and work towards unifying the region. Representative Weatherly commented that private contributions were inadequate and wanted to know how much was received from the counties. Mr. Watson replied no money was received by the counties and there was no private participation until less than twelve months ago. Funds from the Partnership combined with the budget of the Department of Commerce gives the region more power to be marketed and exposed at trade shows that promote travel and tourism as well as economic development. Representative Hall asked Mr. Watson if he was employed during the time the division study was done (included in consulting fees) in which Mr. Watson replied the study took place twelve months before he became director. He agreed that the study was a useful tool in bringing commerce and economic development to the region. Representative Hunter commented about the successes of the Commission and the neglect of this section of the State. Representative Mitchell commented about the success of his county bringing business in but not asking for funding from the State. Representative Owens commented on the poverty and infrastructure needs of the region. Representative Baker commented the needs of the western part of the State are the same, and questioned the coincidence of the timing of today's meeting in Elizabeth City. Mr. Watson reassured Representative Baker that the meeting wasn't a convenient coincidence. Representative Mitchell made the comparison of the two regions of the State concerning running water/sewer lines, and the amount of funding that will go to the Northeast region of the State that will be in the proposed budget. Representative Owens invited the members of the Sub-Committee for a visit. Representative Wilkins made suggestions about how the Commission should handle accounting measures in the future, and asked the amount of funding in their account at the end of 1996. Mr. Watson responded he had suggested a separate account be used for the private funds but the C.P.A. thought it would be better to have one account. He continued to explain that the unusual amount of money ($1.4 million) was in part due to the fact the Commission went without a executive director for one year which curtailed spending. Representative Baker asked about the current balance to the bank account. Mr. Watson replied there are four budgets: the Commission's balance is $95,000, the office of the Executive Director's is $200,000, the budget of

economic development and travel and tourism is $300,000 each, and the remaining balance of the year (last three months of the year) is approximately $300,000. Representative Culp asked Representative Owens if the counties of the region had lost population in the last census in which he replied some counties did loose and some gained. Representative Culp also asked if each county have a economic developer in which Representative Owens replied some do and some don't. Mr. Watson stated that he appreciated the opportunity to address the Sub-Committee and asked for their continued support.

The meeting adjourned at 9:50 a.m.

Respectfully submitted,

W. F. Mitchell
Representative Frank Mitchell
Senior Co-Chair

Susan Thomason
Susan Thomason
Clerk

VISITOR REGISTRATION SHEET

APPROPRIATIONS - Natural and Economic Resources — April 17, 1997
Name of Committee — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK.

NAME	FIRM OR AGENCY AND ADDRESS
Helen Lipman - Meck.	Meck. Co
ADAM SEARING	NC Health Access Coalition
LAURA Hartsell	MCIC
Spellee Wattiere	OSBM
JW Reed	OSBM
Johnny Gray	OSBm
Linda L. Gunn	REDC
R. ROGERS	EHNR
George Howe	MCNC

VISITOR REGISTRATION SHEET

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

	NAME	FIRM OR AGENCY
1.	[signature]	TDA
2.	Leo Tilley	Commerce
3.	Rick Watson	"
4.	Vann Rogerson	"
5.		
6.		
7.		
8.		
9.		
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11.		
22.		
23.		
24.		
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27.		
28.		
29.		
30.		
31.		

ick Watson ~ *Executive Director*
obie Boynton ~ *Adm.Assistant*



Melanie Thompson ~ *Fiscal Mana*
Guy Webb ~ *Analyst*

MEMORANDUM

Date: April 16, 1997

To: Rick Webb

From: Rick Watson

Re: Fall Extravaganza

Rick, in reference to our phone conversation earlier this morning, our 1996 Fall Extravaganza was an approximately $18,000 venture with the purpose of showcasing North Carolina's Northeast and our new emergence in the economic development and travel and tourism arenas. The Extravaganza was targeted toward educating the following groups about the Northeast:

- The North Carolina Department of Commerce, specifically, the divisions of Business/Industry, Community Assistance, Travel and Tourism, and the Film Office;
- Twenty-seven (27) commercial and residential developers in North Carolina;
- Forty-two (42) active clients;
- Forward Hampton Roads counterparts (travel and tourism and economic development professionals); and
- Local and state political and business leaders.

Several regional legislators attended the Extravaganza. The result achieved by the event was a 100% increase in client activity in the areas of travel and tourism and economic development.

Prior to the Extravaganza, the Speaker of the Senate Pro Tem, the Speaker of the House, representatives from the Governor's Office, and the Secretary of the Department of Commerce were all notified and made aware of the activities and the planned general administration of expenses. Again, expenditures for the event were approximately

NORTH CAROLINA'S NORTHEAST COMMISSION/PARTNERSHIP, INC.
Transaction Detail by Account - NEED
July 1996 through March 1997

Type	Date	Num	Name	Memo	Amount
ributions for Extravaganza					
Deposit	7/31/96	dep	Contributions for Extravaganza	Virginia Power	1,000.00
Deposit	7/31/96	dep	Contributions for Extravaganza	Sprint Mid-Atlantic	1,250.00
Deposit	7/31/96	dep	Contributions for Extravaganza	N. C. Natural Gas	250.00
Deposit	9/4/96		DEPOSIT	CENTURA BANK	1,000.00
Deposit	9/4/96		DEPOSIT	FIRST CITIZENS BANK	250.00
Deposit	9/26/96		DEPOSIT	NC ELECTRIC MEMBERSHIP	1,000.00
Deposit	9/26/96		DEPOSIT	ELECTRICITIES OF NC	1,000.00
Deposit	11/1/96		Fall Extravaganza Contributions	Wachovia	1,000.00
Deposit	11/1/96		Fall Extravaganza Contributions	360 Communications	1,000.00
Deposit	12/4/96		DEPOSIT	NATIONSBANK	50.00
Total Contributions for Extravaganza					7,800.00
In-State Travel					
Bill	12/16/96		VANN ROGERSON	CLIENT HANDLING	-181.35
Total In-State Travel					-181.35
In-State Subsistence					
Bill	12/16/96		VANN ROGERSON	CLIENT HANDLING	-317.16
Total In-State Subsistence					-317.16
Schools & Meetings					
Credit Card Charge	10/25/96	5	NC ASSOCIATION OF CPA'S		-190.00
Bill	12/16/96		VANN ROGERSON	CLIENT HANDLING	-9.80
Check	1/13/97	2418	VANN ROGERSON	DECEMBER 1996 EXPENSE REIMB...	-266.88
Credit Card Charge	1/30/97	2	WATERMANS GRILL	Rick-NEED budget mtg	-46.67
Check	1/31/97	2454	GUY WEBB	TRAVEL REIMBURSEMENT	-9.08
Bill	2/28/97		GUY WEBB	refreshments -NEED mtg 2-28-97	-15.47
Check	3/13/97	2590	GUY WEBB	3/11/97 mtg refreshments	-5.88
Bill	3/31/97		GUY WEBB	refreshments -NEED mtg 2-28-97	-13.06
Total Schools & Meetings					-556.69
Miscellaneous Expense					
Bill	12/16/96		VISTA FLORIST	PERRY/PLANT	-28.50
Check	3/13/97	2584	BARBARA L BOYNTON	plant for Melanie Thompson	-37.19
Total Miscellaneous Expense					-65.69
Printed Materials					
Brochures					
Bill	2/18/97		EMERY ADVERTISING	2,000 Area Info Brochures	-9,045.70
Check	3/13/97	2592	EMERY ADVERTISING	sales tax	-540.00
Bill	3/31/97		EMERY ADVERTISING	shipping	-90.80
Total Brochures					-9,676.80
Folders					
Bill	2/18/97		EMERY ADVERTISING	2,000 Pocket Folders	-5,170.70
Check	3/13/97	2592	EMERY ADVERTISING	sales tax	-307.50
Bill	3/31/97		EMERY ADVERTISING	shipping	-90.80
Total Folders					-5,569.10
Logo					
Check	8/29/96	2028	EMERY ADVERTISING	Logo, etc.	-8,334.00
General Journal	8/29/96		EMERY ADVERTISING	reclass	5,334.00
Bill	9/12/96		EMERY ADVERTISING	FIRST DRAW FOR MARKETING & P...	-8,334.00
General Journal	9/12/96		EMERY ADVERTISING	reclass	8,334.00
Bill	10/14/96		EMERY ADVERTISING	2ND DRAW	-8,334.00
General Journal	10/14/96		EMERY ADVERTISING	reclass	8,334.00
Total Logo					-3,000.00
Beach/Interstate Billboard					
Check	7/29/96	1552	CRESCENT ACRES	BILLBOARD AD	-250.00
Total Beach/Interstate Billboard					-250.00
Supplies-Trade Shows/Recruit					
Bill	10/30/96		PAPERDIRECT INC.	BUSINESS CARDS	-170.4
Bill	10/30/96		PAPERDIRECT INC.	BUSINESS CARDS	-170.4
Bill	11/14/96		DOZIER'S FLORIST	GREEN PLTS	-26.3
Deposit	11/19/96		DEPOSIT	REFUND OF CREDIT	322.1
Bill	12/31/96		HTM CONCEPTS INC	BUS. CARDS	-354.0
Total Supplies-Trade Shows/Recruit					-399.
Reg. Manufacturing Directory					
Bill	2/18/97		EMERY ADVERTISING	2,000 Mfrs. Directories	-5,045.

NORTH CAROLINA'S NORTHEAST COMMISSION/PARTNERSHIP, INC.
Transaction Detail by Account - NEED
July 1996 through March 1997

04/08/97

Type	Date	Num	Name	Memo	Amount
Bill	2/18/97		EMERY ADVERTISING	2,000 Supplier & Support Dir.	-5,045.75
Bill	2/28/97		MAP SYSTEMS INC	#30024-Mfr. Directory	-435.65
Check	3/13/97	2592	EMERY ADVERTISING	sales tax	-300.00
Check	3/13/97	2592	EMERY ADVERTISING	sales tax-Supplier Dir.	-300.00
Bill	3/31/97		EMERY ADVERTISING	shipping	-90.84
Bill	3/31/97		EMERY ADVERTISING	shipping	-90.84
Total Reg. Manufacturing Directory					-11,311.73
Total Printed Materials					-30,207.18
Telemarketing/Dir Mail/Watts					
Toll Free Phone Line					
Check	7/12/96	1526	SPRINT	PHONE	-106.88
Check	7/29/96	1555	SPRINT	CELLULAR	-95.60
Bill	9/25/96		SPRINT	ACCT. ID 209074712	-155.99
Bill	10/30/96		SPRINT	INV ACCT. # 209074712	-189.55
Bill	12/18/96		SPRINT	INV ACCT. # 209074712	-180.33
Bill	12/31/96		SPRINT	INV ACCT. # 209074712	-325.27
Bill	2/18/97		SPRINT	ACCT # 209074712	-43.42
Bill	3/31/97		SPRINT	ACCT # 209074712	-153.17
Total Toll Free Phone Line					-1,250.21
Total Telemarketing/Dir Mail/Watts					-1,250.21
Grant Consultant					
Check	7/29/96	1550	PRO	GRANT WRITING/CONSULTING	-4,000.00
Bill	11/14/96		PRO	RETAINER 11/1/96-1/31/97	-4,000.00
Bill	11/14/96		PRO	TIME OUTSIDE RETAINER	-7,500.00
Bill	12/16/96		VANN ROGERSON	CLIENT HANDLING	-9.16
Check	1/13/97	2412	PRO	VOID: GRANT WRITING/CONSULTI...	0.00
Check	1/21/97	2439	PRO	RETAINER FOR JAN-MAR, 1997	-4,000.00
Bill	3/31/97		PRO	April-June retainer	-4,000.00
Total Grant Consultant					-23,509.16
Recruiting Trips					
Travel Expense-Prospects					
Credit Card Charge	11/5/96	22	FR MKT/HOTEL		-1,241.48
Credit Card Charge	11/5/96	23	TOUCH OF CLASS		-85.75
Credit Card Charge	11/6/96	25	FR MKT/HOTEL		-2,242.34
Credit Card Charge	11/12/96	29	SHERATON HOTELS		-230.56
Total Travel Expense-Prospects					-3,810.13
Receptions					
Credit Card Charge	9/25/96		GOLDEN CORRAL	NEED LUNCH	-115.10
Credit Card Charge	10/14/96		CAPTAIN BOB'S	DARDEN'S LUNCH	-114.3
Credit Card Charge	1/23/97	10	THE RED HERRING	Ben Berry-registration for Venture Ma...	-759.00
Bill	2/18/97		BEN BERRY	Travel to Venture Mkt South, Atlanta ...	-112.00
Check	2/24/97	2541	NCEDA	Rick's reg for NCEDA Conf	-155.00
Check	3/13/97	2585	BEN BERRY	Venture Mkt South-Atlanta	-254.35
Total Receptions					-1,509.8
Trade Shows					
General Journal	10/2/96		IDRC	reclass from Reg Booth	-6,325.0
Credit Card Charge	10/12/96		WMSBRG ROOM RESERVATIONS		-146.4
Credit Card Credit	10/17/96		WILLIAMSBURG LODGE		146.4
Credit Card Charge	10/23/96	2	WILLIAMSBURG LODGE		-223.1
General Journal	11/2/96		RICK WATSON	IDRC	-46.0
General Journal	11/2/96		RICK WATSON	IDRC	-21.2
General Journal	11/2/96		RICK WATSON	IDRC	-40.3
General Journal	11/3/96		RICK WATSON	IDRC	-18.6
General Journal	11/3/96		RICK WATSON	IDRC	-45.5
General Journal	11/4/96		RICK WATSON	IDRC	-47.5
General Journal	11/5/96		RICK WATSON	IDRC	-39.0
Credit Card Charge	11/6/96	28	WAL-MART		-39.5
General Journal	11/8/96		RICK WATSON	SUSE MTG	-15.2
General Journal	11/10/96		RICK WATSON	SUSE MTG	-15.6
General Journal	11/10/96		RICK WATSON	SUSE MTG	-21.4
General Journal	11/10/96		RICK WATSON	SUSE MTG	-22.5
Credit Card Charge	11/11/96	K	SHERATON HOTEL		-57.4
General Journal	11/11/96		RICK WATSON	SUSE MTG	-26.1
General Journal	11/11/96		RICK WATSON	SUSE MTG	-45.7
Credit Card Charge	11/12/96	28	CONVENTION CASSETTS		-42.0
General Journal	11/12/96		RICK WATSON	SUSE MTG	-14.5
General Journal	11/12/96		RICK WATSON	PLASTICS SHOW	-57.8

NORTH CAROLINA'S NORTHEAST COMMISSION/PARTNERSHIP, INC.
Transaction Detail by Account - NEED
July 1996 through March 1997

04/08/97

Type	Date	Num	Name	Memo	Amount
Credit Card Charge	11/14/96	2	ADAM'S MARK HOTEL		-383.55
Credit Card Charge	11/14/96	3	ADAM'S MARK HOTEL		-352.02
Credit Card Charge	11/14/96	4	ADAM'S MARK HOTEL		-344.29
Credit Card Charge	11/15/96	1	ADAM'S MARK HOTEL		-442.00
Credit Card Charge	11/16/96	5	ADAM'S MARK HOTEL	VOID:	0.00
Bill	11/26/96		JOHN GURGANUS	NEED - TRADE SHOWS	-309.12
Bill	11/26/96		MARY P. LILLEY	1/2 COST OF ROOM	-405.38
Credit Card Charge	12/14/96	6	FINANCE CHARGE		-0.60
Bill	12/16/96		JOHN J MULVEY	TRAVEL - NC POWER TRADE SHOW	-243.04
General Journal	12/16/96		BEN BERRY	reclass	-442.67
Deposit	1/8/97	DEP	EDENTON CHOWAN CHAMBER OF COMME...	Richard Bunch reimb.	31.42
Deposit	1/13/97	DEP	TIM IVEY	Adams Mark reimbursement	25.34
Deposit	2/18/97	DEP...	JOHN J MULVEY	reimbursement of Adams Mark credit ...	68.96
Credit Card Charge	2/20/97	1	NPE HOUSING BUREAU	Lodging for 97 Plastics Fair	-1,050.00
Bill	2/28/97		IDRC	registration for 5/10-5/14/97 show	-8,100.00
Deposit	3/3/97	DEP...	ROBERT BAKER	Adams Mark reimbursement	22.85
Check	3/5/97	2578	THE SOCIETY OF THE PLASTICS INDUSTRY...	NPE 1997 Exhibitor badges	-40.00
Check	3/19/97	2611	HYATT REGENCY - INDIANAPOLIS	Rick Watson	-118.80
Check	3/19/97	2611	HYATT REGENCY - INDIANAPOLIS	Rod Perry	-118.80
Check	3/19/97	2611	HYATT REGENCY - INDIANAPOLIS	Vann Rogerson	-118.80
Check	3/19/97	2611	HYATT REGENCY - INDIANAPOLIS	Tim Ivey	-118.80
Check	3/19/97	2611	HYATT REGENCY - INDIANAPOLIS	Guy Webb	-118.80
Check	3/19/97	2611	HYATT REGENCY - INDIANAPOLIS	Randy Harrell	-118.80
Check	3/19/97	2611	HYATT REGENCY - INDIANAPOLIS	Rocky Lane	-118.80
Bill	3/31/97		MAP SYSTEMS INC	IDRC Kiosk materials	-260.00
Total Trade Shows					-20,216.37
Regional Booth					
Credit Card Charge	10/2/96		IDRC	REG.	-6,325.00
General Journal	10/2/96		IDRC	reclass to Trade Shows	6,325.00
Bill	12/16/96		THE SOCIETY OF THE PLASTICS INDUSTRY...	DEP ON BOOTH	-1,950.00
Bill	2/28/97		THE SOCIETY OF THE PLASTICS INDUSTRY...	1997 NPE Booth	-1,950.00
Total Regional Booth					-3,900.00
...l Recruiting Trips					-29,438.40
Gaining Regional Vision					
Credit Card Charge	9/30/96		VA ST CHMBR OF COMMERCE	REGISTRATION VA CONFERENCE	-520.00
Total Gaining Regional Vision					-520.00
Client Handling Funds					
Area Promotion					
Credit Card Charge	7/10/96	1597	CLARENCE FOSTER'S, RALEIGH	NC POWER ELEC. CITIES-REIMBU...	-1,209.0
Check	7/12/96	1535	VANN ROGERSON	Refreshments	-36.0
General Journal	7/26/96	2047	HERTFORD-EDENTON	NEED/CLIENT MEETING	-64.6
Credit Card Charge	7/26/96	2022	FOOD LION	SOFT DRINKS	-4.6
Check	7/29/96	1559	VANN ROGERSON	EXPENSE	-69.4
Check	7/29/96	1558	VANN ROGERSON	EXPENSE	-53.7
Check	7/29/96	1560	MARY DARDEN UBER	EXPENSE	-53.7
Check	7/29/96	1561	JOHN GURGANUS	EXPENSE	-53.7
Credit Card Charge	8/6/96	2022	RSVP ENVELOPES	ENVELOPES FOR EXTRAVAGANZA	-400.6
Credit Card Charge	8/7/96	2051	RALEIGH DURHAM AA PA RDU AIRPORT		-1.5
Credit Card Charge	8/7/96	2051	DARRYL'S	RGW	-26.0
Check	8/13/96	1601	EDENTON CHOWAN CHAMBER OF COMME...	Supplies for meeting	-75.0
Check	8/13/96	1604	MAURICE WILLIAMS	ENTERTAINMENT	-500.0
Check	8/13/96	1605	MAURICE WILLIAMS	ENTERTAINMENT	-2,200.0
Check	8/13/96	1601	EDENTON CHOWAN CHAMBER OF COMME...	Bed & Breakfast	-254.2
Check	8/14/96	1608	CHAIR & EQUIPMENT RENTALS	FALL EXTRAVAGANZA	-1,554.3
Check	8/14/96	1609	REBECCA ANNE'S	GIFT BASKETS	-2,120.0
Check	8/14/96	1610	THE LORDS PROPRIETORS INN	RESERVED ROOMS	-700.0
Check	8/14/96	1611	BEAR GRASS TOURS INC	TRAVEL	-5,725.0
General Journal	8/23/96	2048	HERTFORD-EDENTON	CLIENT HANDLING MEETING	-92.4
Check	8/28/96	2003	TROY HIGGINS	CONTRACT LABOR	-47.5
Check	8/28/96	2004	TRISTA RHODES	CONTACT LABOR	-47.5
Check	8/28/96	2005	MICHELLE SCARBOROUGH	CONTRACT LABOR	-47.5
Check	8/28/96	2006	SHAWN BLAND	CONTRACT LABOR	-47.5
Check	8/28/96	2007	HEATHER REED	CONTRACT LABOR	-47.5
Check	8/28/96	2011	PAPERDIRECT INC.	Extrava	-345.6
Check	8/28/96	2020	CAR-VA SCREENPRINT & SIGN CO	Banners	-576.0
Deposit	9/10/96		DEPOSIT	REFUND FOR TRIPS	5,725.0
Credit Card Charge	9/10/96	2084	WMSBRG ROOM RESERVATIONS	RGW	-146.0
Credit Card Charge	9/10/96	2084	WMSBRG ROOM RESERVATIONS	VANN	-146.0
Bill	9/12/96		MIKE SCOTT	Van Rental for Fountain Officials	-86.0
Bill	9/12/96		THE GRANVILLE QUEEN	14 ROOMS AT $95.00 - FALL EXTR...	-1,330.0

04/08/97

NORTH CAROLINA'S NORTHEAST COMMISSION/PARTNERSHIP, INC.
Transaction Detail by Account - NEED
July 1996 through March 1997

Type	Date	Num	Name	Memo	Amount
Bill	9/12/96		DAVE JENKINS	VOID: CONTRACT LABOR FOR EX...	0.00
Bill	9/12/96		LISA McNAMEE	VOID: CONTRACT LABOR FOR EX...	0.00
Credit Card Charge	9/20/96	1	WALMART	EXTRAVAGANZA	-126.39
Credit Card Charge	9/20/96		KMART	EXTRAVAGANZA	-38.30
Credit Card Charge	9/20/96		FOOD LION	NEED BUDGET	-186.90
General Journal	9/20/96		RICK WATSON	LIQUOR - FALL EXTRAV.	-302.30
Credit Card Charge	9/21/96		ALBEMARLE PLANTATION	NC DOC GUEST - EXTRAV.	-21.92
Credit Card Charge	9/21/96		ALBEMARLE PLANTATION	NC DOC GUEST - EXTRAV.	-30.84
Credit Card Charge	9/21/96		FOOD LION	NEED BUDGET	-196.59
General Journal	9/23/96		RICK WATSON	MINING CLIENT MTG	-45.78
Bill	9/25/96		THE LORDS PROPRIETORS' INN	16 ROOMS FOR 2 DAYS	-2,786.00
Bill	9/25/96		DRAM TREE RESTAURANT & INN	LUNCH 16 @ $11.00	-176.00
Bill	9/25/96		GREAT MISTAKES	POLO SHIRTS - FALL EXTRAVA.	-9,697.03
Bill	9/25/96		SOUTHERN TOURS	RALEIGH TO WASHINGTON	-1,950.00
Bill	9/25/96		CYNTHIA LEARY	BARTENDING - FALL EXTRAVAG.	-150.00
Bill	9/25/96		JUDY PRICE	CONTRACT LABOR - FALL EXTRAV...	-100.00
Bill	9/25/96		TROY HIGGINS	FALL EXTRAVAG.	-57.00
Bill	9/25/96		SHAWN BLAND	FALL EXTRAVAG.	-19.00
Bill	9/26/96		LINWOOD BOYNTON	LABOR AT FALL EXTRAVAG.	-10.00
Credit Card Charge	10/3/96	1	RED LOBSTER		-65.88
Bill	10/14/96		STEPPING STONES OF THE ALBEMARLE, IN...	CHILD CARE	-100.00
Bill	10/14/96		CITY BEVERAGE COMPANY, INC.	COOLERS, WINE, & BEER	-182.12
Bill	10/14/96		JIMMY SMITH	EXTRAVAGANZA	-400.00
Bill	10/14/96		SLEEP INN	5 HOTEL ROOMS	-463.25
Bill	10/14/96		HAMPTON INN	10 ROOMS	-490.60
Bill	10/14/96		DAYS INN OCEANFRONT	ROOMS	-1,533.70
Bill	10/14/96		HOLIDAY INN	ROOMS FOR 9/20-9/22	-1,151.47
Bill	10/14/96		DENNIS MCGEEIN	GOLF WINNER	-50.00
Bill	10/14/96		STEVE LILLEY	GOLF WINNER	-50.00
Bill	10/14/96		RAY FURNAL	GOLF WINNER	-50.00
Bill	10/14/96		ANNETTE FURNAL	GOLF WINNER	-50.00
Bill	10/14/96		JEFF CREDLE	GOLF WINNER	-50.00
Bill	10/14/96		RICHARD CREDLE	GOLF WINNER	-50.00
Bill	10/14/96		RAY EMERY	GOLF WINNER	-50.00
Bill	10/14/96		SHERYLE CROCKER	GOLF WINNER	-50.00
Bill	10/14/96		PANDA CROCKER	GOLF WINNER	-25.00
Bill	10/14/96		FRANK HARPER II	GOLF WINNER	-25.00
Bill	10/14/96		JEFF CREDLE	GOLF WINNER	-25.00
Bill	10/14/96		RICHARD CREDLE	GOLF WINNER	-25.00
Bill	10/14/96		JACKSON WHOLESALE CO INC	TUMBLERS & NAPKINS	-92.54
Bill	10/14/96		SOUTHERN TOURS	RALEIGH - WASHINGTON	-2,040.00
Bill	10/14/96		DAYS INN	ROOMS	-1,275.30
Bill	10/14/96		VANN ROGERSON	FILM FOR EXTRAVAGANZA	-14.80
Bill	10/30/96		KELLY'S RESTAURANT	RECEPTION	-4,028.00
Bill	10/30/96		TERRELL COMMUNICATIONS, INC.		-3,080.71
Bill	10/30/96		U.S. CELLULAR - 40828582	VANN & DOT	-482.43
Bill	10/30/96		SMITHWICK PROPERTIES LLC	18 MEALS @ $15.00	-270.00
Bill	10/30/96		VANN ROGERSON	CLIENT HANDLING	-660.43
Deposit	11/1/96		ELECTRICITIES OF NC	Reimb. for Social	347.74
Credit Card Charge	11/4/96	D	RUTH S CHRIS STEAK REST.		-537.18
Credit Card Charge	11/10/96	J	RUTH S CHRIS STEAK REST.		-183.43
Deposit	11/19/96		DEPOSIT	NC POWER	347.74
Deposit	11/19/96		DEPOSIT	REFUND - SOUTHERN TOURS, INC.	1,950.00
Credit Card Charge	12/4/96	3	WATERMANS GRILL		-27.28
Bill	12/16/96		ALBEMARLE PLANTATION	1 GLOVE & GOLF CART RENTAL	-810.00
Bill	12/16/96		PRO	DEMOGRAPHIC STATISTICAL, ETC.	-3,235.00
Bill	12/16/96		WOODARD'S PHARMACY INC	FILM & PICTURES	-180.97
Bill	12/16/96		VANN ROGERSON	CLIENT HANDLING	-611.11
Deposit	12/17/96		DEPOSIT	NC DOT REIMB FOR VANN	151.8
Credit Card Charge	12/18/96	4	WATERMANS GRILL		-80.2
Credit Card Charge	12/18/96	1	PATS HALLMARK	Christmas Cards	-11.9
Credit Card Charge	12/23/96	5	MULLIGAN'S		-29.5
Credit Card Charge	12/28/96	1	SUNNYSIDE OYSTER BAR	Rick-client meeting	-175.8
Credit Card Charge	12/30/96	2	HOLIDAY INN	Rick-client meeting	-29.6
Bill	12/31/96		RICHMOND PRINTING SERVICE	BUS. CARDS- RICK	-47.5
Bill	12/31/96		RODNEY W. PERRY	CLIENT-MARTINEAU	-214.6
Bill	12/31/96		THE LIGHTHOUSE	LIGHTHOUSES	-814.7
Bill	12/31/96		THE LORDS PROPRIETORS' INN	ROOM FOR JOHN MARTINEAU	-65.4
Credit Card Charge	1/9/97	6	CHEERS	Rick-client meeting	-124.5
Check	1/13/97	2408	HALIFAX DEVELOPMENT COMMISSION	Meal reimbursement (Nova Plumbing ...	-203.9
Check	1/13/97	2418	VANN ROGERSON	DECEMBER 1996 EXPENSE REIMB...	-249.5
Check	1/21/97	2431	FEDEX	ACCOUNT #1745-5383-9, INVOICE ...	-8.4
General Journal	1/24/97	2608	RICK WATSON	Rick-NEED mtg	-98.0
General Journal	2/4/97	2609	RICK WATSON	Rick-Natural Gas meeting	-94.8
Credit Card Charge	2/6/97	1	RAGAZZI'S ITALIAN RESTAURANT	DOC client mtg	-32.3

NORTH CAROLINA'S NORTHEAST COMMISSION/PARTNERSHIP, INC.

Transaction Detail by Account - NEED

04/08/97

July 1996 through March 1997

Type	Date	Num	Name	Memo	Amount
General Journal	2/10/97	2609	RICK WATSON	Rick-CSX mtg in FL	-783.62
Bill	2/18/97		FILLING STATION RESTAURANT	Robersonville new company announc...	-215.84
Bill	2/18/97		VANN ROGERSON	various client meetings	-247.59
Check	2/19/97	2503	SHAW FOOD SERVICES	Tolson Luncheon on 2/21/97	-590.34
Bill	2/28/97		FEDEX	MAPS delivery to Vann Rogerson	-10.97
General Journal	2/28/97	2609	RICK WATSON	Rick-NEED mtg	-90.48
Check	3/13/97	2603	VANN ROGERSON	Vann Rogerson & clients	-793.55
Check	3/19/97	2610	B & B ON THE BEACH	Brian Spivey-Mayo Yarns visit	-737.10
Check	3/19/97	2613	B & B ON THE BEACH	Brian Spivey-Mayo Yarns visit	-95.40
Bill	3/31/97		TERRELL COMMUNICATIONS, INC.	newsletter/Martin Co event	-1,115.09
Bill	3/31/97		NORTHAMPTON COUNTY EDC	Client #14 Reception	-320.00
Bill	3/31/97		ROANOKE RAPIDS HERALD	ad-CNC Machine Operator	-64.85
Total Area Promotion					-55,292.85
Raleigh DOC Client Transport.					
Credit Card Charge	8/28/96	2084	BUDGET RENT-A-CAR	BOAT CLIENT - TRANS.	-89.20
Bill	9/12/96		N. C. DEPARTMENT OF COMMERCE	FED ID #56-1887193 - TAX CREDIT ...	-295.00
Bill	12/31/96		SOUTHERN TOURS	INVOICE # 635101	-216.00
Check	1/31/97	2469	WASHINGTON BEAUFORT CO. CHAMBER O...	INVOICE # 5455	-1,083.81
General Journal	2/4/97	2609	RICK WATSON	Rick-DOT meeting	-68.67
Bill	2/18/97		MAP SYSTEMS INC	Inv # 30033-Tolson invitations	-740.00
Bill	2/18/97		GUY WEBB	Sec. Tolson	-26.26
Check	2/21/97	2504	ELIZABETH CITY STATE UNIVERSITY	Sec Tolson Luncheon	-125.00
Credit Card Charge	2/26/97	6	RAYS RESTAURANT	Sec Norris Tolson	-128.78
Bill	2/28/97		ALICE J. WINSLOW	2/20/97 Breakfast for Sec. Tolson	-52.34
Bill	2/28/97		NANCY NICHOLLS	present for Sec. Tolson	-17.75
Check	3/13/97	2606	WOODARD'S PHARMACY INC	Sec Tolson pictures	-19.30
Bill	3/31/97		TERRELL COMMUNICATIONS, INC.	12/17/96 press release	-61.88
Bill	3/31/97		ALBEMARLE PLANTATION	Rick & clients	-65.80
Total Raleigh DOC Client Transport.					-2,988.56
Client Facilitator					
Check	1/21/97	2428	DCI	JANUARY 1997 FEES	-5,000.00
Credit Card Charge	1/22/97	1	SUNNYSIDE OYSTER BAR	DCI meeting-Williamston	-144.54
Check	2/11/97	2480	DCI	FEBRUARY 1997 FEES	-5,000.00
Check	2/11/97	2483	GENERAL ALUMNI ASSOCIATION	ALUMNI DIRECTORY	-50.00
Bill	2/18/97		VANN ROGERSON	DCI meetings	-63.63
Check	3/13/97	2587	DCI	March 97 fees	-5,000.00
Bill	3/31/97		DCI	misc. expenses	-68.65
Total Client Facilitator					-15,326.82
Total Client Handling Funds					-73,609.26
EDIS					
Check	7/11/96	1509	MARTIN COUNTY CHAMBER OF COMMERCE	WORKSTATION	-200.00
Bill	10/30/96		HALIFAX DEVELOPMENT COMMISSION	COMPUTER DESK	-200.00
Check	1/21/97	2436	MAP SYSTEMS INC	INVOICE # 30007	-10,929.99
Bill	2/28/97		MAP SYSTEMS INC	#30024-NEED correspondence	-490.66
Total EDIS					-11,820.65
Regional Ads					
Trade Magazines					
Check	8/14/96	1606	TAYLOR PUBLICATIONS INC	AD	-1,445.16
Bill	11/14/96		TAYLOR PUBLICATIONS INC	AD 11/96	-1,423.80
Bill	11/26/96		EMERY ADVERTISING	B/W AD IN CAROLINA BUS.	-658.50
Bill	12/31/96		TERRELL COMMUNICATIONS, INC.		-398.75
Check	1/31/97	2470	EMERY ADVERTISING	INVOICE # 6791	-42.50
Check	2/11/97	2482	EMERY ADVERTISING	INVOICE #s: 6795, 6801, 6803	-169.80
Bill	3/31/97		TAYLOR PUBLICATIONS INC	Carolina Business ad 3/97	-1,423.80
Total Trade Magazines					-5,562.11
Beach/Interstate Billboards					
General Journal	7/11/96		R.O. GIVENS SIGNS INC.	reclassed from Office-Advertising	-150.00
Check	7/29/96	1545	JOHN R. PIERCE	SIGN	-465.00
General Journal	8/13/96		R.O. GIVENS SIGNS INC.	reclassed from Office-Advertising	-150.00
General Journal	9/3/96		R.O. GIVENS SIGNS INC.	reclassed from Office-Advertising	-150.00
Bill	9/12/96		JOHN R. PIERCE	Billboards	-1,870.00
General Journal	10/15/96		R.O. GIVENS SIGNS INC.	reclassed from Office-Advertising	-150.00
General Journal	11/14/96		R.O. GIVENS SIGNS INC.	reclassed from Office-Advertising	-150.00
General Journal	12/16/96		R.O. GIVENS SIGNS INC.	reclassed from Office-Advertising	-150.00
Check	1/13/97	2413	R.O. GIVENS SIGNS INC.	JANUARY 1997 SHOWING	-150.00
Check	2/11/97	2500	R.O. GIVENS SIGNS INC.	FEBRUARY 1997 SHOWING	-150.00
Bill	2/28/97		R.O. GIVENS SIGNS INC.	March 1997 showing	-150.00

NORTH CAROLINA'S NORTHEAST COMMISSION/PARTNERSHIP, INC.

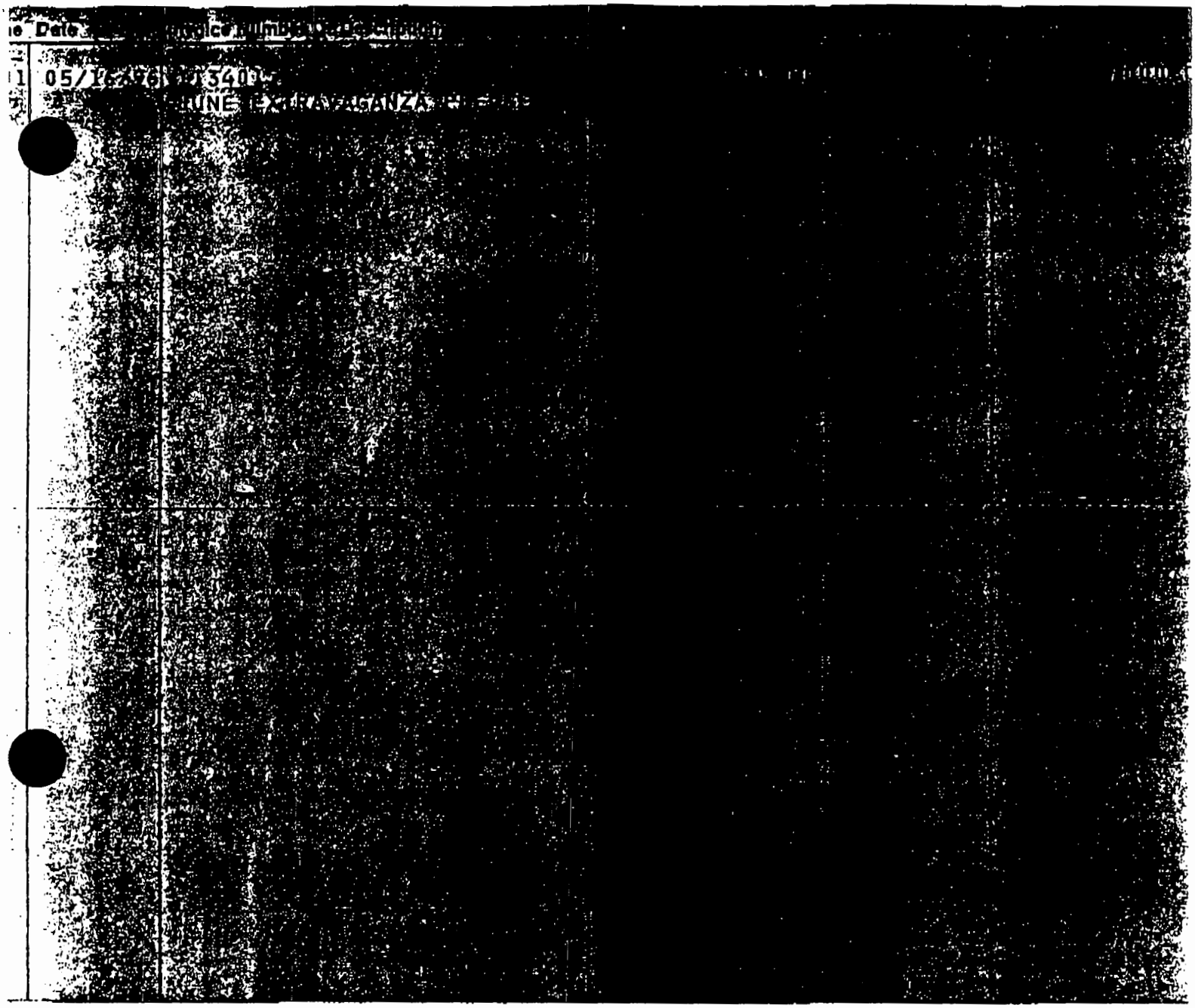
Transaction Detail by Account - NEED

04/08/97

July 1996 through March 1997

Type	Date	Num	Name	Memo	Amount
Total Beach/Interstate Billboards					-3,685.00
Marketing Literature					
General Journal	8/29/96		EMERY ADVERTISING	reclass	-5,334.00
General Journal	9/12/96		EMERY ADVERTISING	reclass	-8,334.00
General Journal	10/14/96		EMERY ADVERTISING	reclass	-8,334.00
Bill	2/18/97		MAP SYSTEMS INC	Inv # 30020-Region Profile Reprints	-1,060.00
Bill	2/28/97		FEDEX	Emery Adv materials	-25.30
Bill	2/28/97		MAP SYSTEMS INC	#30018-Fin Incentive Pages	-807.55
Bill	2/28/97		MAP SYSTEMS INC	#30024-NEED video	-49.56
Total Marketing Literature					-23,943.41
Total Regional Ads					-33,190.52
TOTAL					**-198,883.17**

TEL: Apr 16'97 15:55 NO.006 P.06



06/05/96 DISB# 558922 APG# 008 1,000.00 1,000.(

Attached Check Issued As Payment Of Items Listed Above — Please Detach Stub And Cash Check Promptly

Virginia Electric and Power Company d/b/a Virginia Power/North Carolina Power, Richmond, Virginia

VIRGINIA POWER / NORTH CAROLINA POWER

Accounts Payable Check

62-38
311

Bankers Trust (Delaware)
Wilmington Delaware
In Cooperation With

Crestar Bank CRESTAR
Richmond, Virginia

Void If Not Cashed In 90 Days

COPY

ay EXACTLY ONE THOUSAND AND NO/100**********

Bk	Disb. Number	Date	Vendor Number	Amount
006	558922	06/05/96	223644001	$1,000

NORTHEASTERN NORTH CAROLINA REGIONAL
ECONOMIC DEVELOPMENT COMMISSION
106 N CHURCH ST
PO BOX 278
HERTFORD NC 27944

CDA Number 200560921

J. Kennedy Davis

Mid-Atlantic Telecom, Inc.

NORTHEASTERN NORTHCAROLINA 87006 CHECK NUMBER

ATTACHED CHECK IS TENDERED IN SETTLEMENT OF ITEMS LISTED HEREON. IF CORRECT NO RECEIPT IS REQUIRED. IF NOT CORRECT RETURN CHECK WITH EXPLANATION. 67116073

05-5469	SPONSOR	05/20/96	IN	1,250.00			
MO					MO		MOORE

COPY

Apr 16 9: 10:56 No.000 P.15

TEL:

14457600 North Carolina Natural Gas Corporation CHECK NO. 206587

DATE	INVOICE NO.	AMOUNT	DISCOUNT	BALANCE
5/21/96	219065	250.00	.00	250.00
	TOTAL	250.00		250.00

COPY

Apr 16'97 13:58 NO.006 P.10

TEL:

To NationsBank
FAYETTEVILLE, N.C.
56-850
531

NORTH CAROLINA Natural Gas CORPORATION
P.O. BOX 909 FAYETTEVILLE, N.C. 28302

206587

PAY TO THE ORDER OF

DATE

5/24/96

AMOUNT

$********250.00*

NORTHEASTERN NC REGIONAL
ECONOMIC DEVELOPMENT
P O BOX 278
HERTFORD NC 27944

Renée Lacy

⑈206587⑈ ⑆053109505⑆ 05103136?⑈

this day credited your account for the following deposit. Use the following directions
r ling future deposits:

1. Endorse checks "For Deposit Only" and sign your name with your account number
2. Complete the deposit slip included in the postage paid envelope. (Please send currency by registered mail)

IE ABOVE INSTRUCTIONS DO NOT APPLY ON DEPOSITS MADE TO YOUR ACCOUNT BY OTHER PERSONS OR
ISTITUTIONS

Date	Account	Amount	Description
09/04/96	037-0595937	1,250.00	Mail in Deposit Credit

NORTHEASTERN NORTH CAROLINA REGIONAL
ECONOMIC DEVELOPMENT PARTNERSHIP INC
PO BOX 626
EDENTON NC 27932-0626

Centura Bank
P.O. Box 1220
Rocky Mount, NC 27802

Centura Bank SM

r account inquiries, please call 1-800-888-7888.
the Rocky Mount, NC calling area, please dial 937-3775.

1,000.00 Centura Bank
250.00 1st Citizens Bank

COPY

COPY

CAROLINA ELECTRIC MEMBERSHIP CORPORATION
1319 9/09/96 NC'S NORTHEAST PARTNERSHIP

VOICE MBER	INVOICE DATE	DESCRIPTION	GROSS AMOUNT	DISCOUNT	NET AMOUNT
5	8/26/96	SPONSORSHIP	1000.00		1000.00
O.	37618	TOTALS	1000.00		1000.00

(ALL EXPENDITURES DONATIONS 90 KW)
Exchange
Putin Client at 7
Monthly 12
NEED

037618

North Carolina Electric
Membership Corporation
3400 Sumner Blvd., P.O. Box 27306
Raleigh, NC 27611

First Union National
Bank of North Carolina
56-822/530

CHECK DATE	CHECK NUMBER
9/09/96	37618

CHECK AMOUNT
$1,000.00

ONE THOUSAND, AND NO/100 **********

North Carolina Electric Membership Corporation

By _____ AUTHORIZED SIGNATURE

By _____ AUTHORIZED SIGNATURE

NC'S NORTHEAST PARTNERSHIP
PO BOX 278

HERTFORDE NC 27944

⑈037618⑈ ⑆053000219⑆ 200000104500⑈

COPY

NO. 036694

ELECTRICITIES OF NORTH CAROLINA, INC.

Vendor No / Name: EC1877 / Northeastern NC Regional Econ. Dev. Commissio

voice Reference	Inv Date	Inv Amt	Amt Paid	Discount	Net Amt
ONSORSHIP	09/17/96	1,000.00	1,000.00		1,000.00

Check Date = 09/18/96 Check Total = 1,000.00

ELECTRICITIES OF NORTH CAROLINA, INC.
1427 MEADOWWOOD BOULEVARD
P.O. BOX 29513
RALEIGH, NC 27626-0513
(919) 715-6000
This disbursement has been approved as required by the Local Government Budget and Fiscal Control Act.

FIRST CITIZENS BANK
FIRST CITIZENS BANK & TRUST COMPANY
RALEIGH, N.C. 27602

66-30
531

NO. 036694
CHECK NO.

09/18/96
DATE

*****1,000.00
AMOUNT

ONE Thousand Dollars and ZERO Cents

THE
)ER

Northeastern NC Regional Econ. Dev. Commission
Attn: Mr. Jimmie Dixon
PO BOX 278
Hertford, NC 27944

TWO SIGNATURES REQUIRED

AUTHORIZED SIGNATURE

⑆053100300⑆0861178986⑈

COPY

WACHOVIA

20085286

Wachovia Trust Services, Inc.

Date 09/27/96

Acct. No. 32-47879-00

66-49/531

Amount

**********$1,000.00

Pay to the Order of

NC NORTHEAST ECONOMIC
DEVELOPMENT PARTNERSHIP
HERTFORD, NC

EXTRAVAGANZA

For: "FALL EXTRAVAGANZA"
BUSINESS RECRUITMENT

Authorized Signature

Wachovia Bank of North Carolina, N.A.
Winston-Salem, NC 27150

ALL WACHOVIA BK OF NC COPY CONDITIONS

THIS MULTI-TONE AREA OF THE DOCUMENT CHANGES COLOR GRADUALLY AND EVENLY FROM DARK TO LIGHT WITH DARKER AREAS BOTH TOP AND BOTTOM

⑈20085286③ ⑆053100494⑆018731 000009⑈

COPY

360°

Check No. - 1159377
Check Date - 10/02/96

Stub 1 of 115937

INVOICE NUMBER	DATE	DESCRIPTION	GROSS AMOUNT	NET CHECK AMOUNT
216303	09/23	SPONSORSHIP EXTRAVAGANZA	1,000.00	1,000.00

PLEASE DETACH BEFORE DEPOSITING

360° Communications
8725 Higgins Road
Chicago, IL 60631

Norwest Bank Van Wert, N.A.
Van Wert, OH 45891

56-382
412

115937

CONTROL NO. 01159377

DATE	AMOUNT
10/02/96	$******1,000.0

1343548

ONE THOUSAND AND 00/100 **********

VOID AFTER 180 DAYS

PAY TO THE ORDER OF
NORTHEAST ECOMIC DEVELOPMENT
PO BOX 70
ELIZABETH CITY, NC 27909

Pat Chelsey

⑈115937⑈ ⑆041203824⑆ 960000237③

COPY

PLEASE DETACH STUB BEFORE DEPOSITING

NationsBank

NATIONSBANK CORPORATION
ACCOUNTS PAYABLE-NC1 002 18 01 704-386-6423
1 NATIONSBANK PLAZA
CHARLOTTE, NC 28255

USA
36 USC 380

A/P EXPENSE
CHECK NO.
0001654209

PAY FIFTY DOLLARS AND NO CENTS

DATE
08/05/96

CHECK AMOUNT
**********50.00

TO THE ORDER OF

NORTHEASTERN NORTH CAROLINA
REGIONAL ECONOMIC DEVLEOPMENT
COMMISSION
106 N CHURCH STREET
HERTFORD NC 27944

NOT VALID OVER $50,000 UNLESS COUNTERSIGNED

SENIOR VICE PRESIDENT
AUTHORIZED SIGNATURE
VOID ONE YEAR AFTER ISSUE DATE

⑈0001654209⑈ ⑆053000196⑆ ⑈0018168834⑈

NORTH EASTERN N.C. REGIONAL
ECONOMIC DEV. PARTNERSHIP, INC.

Centura Bank
Rocky Mount, NC 27810

DATE 12/4 19 96
DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

	DOLLARS	CENTS
CURRENCY		
COIN		
CHECKS (LIST EACH SEPARATELY)		
1 NationsBank	50	00
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3		
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28		
TOTAL FROM OTHER SIDE OR ATTACHED LIST		
PLEASE RE-ENTER TOTAL HERE		50 00

Fall Extravaganza

Checks and other items are received for deposit subject to the provisions of the Uniform Commercial Code or any applicable collection agreement

\- $ 50.00

⑆053100850⑆037059593 7⑈ 19

$18,000, $9,000 of which was covered by the Northeast Partnership, and the remaining $9,000 provided by allied businesses including the following:

> NC Power, Virginia Power, Sprint, ElectriCities, NC Natural Gas, NC Electric Membership Corp, 360 Communications, Centura Bank, First Citizens Bank, Wachovia, and Nationsbank.

Their contributions accounted for approximately $7,800, and in-kind services provided by additional businesses accounted for approximately $1,200. This allied financial support paid for all refreshments and other items not related to marketing and promoting activities, which are the activities associated with the funding provided by the legislation for the Partnership.

Rick, we can substantiate these expenditures with proof of deposits and copies of receipts within the next three (3) or (4) days. I will be in touch with you as we gather this information.

Thank you!

NORTH CAROLINA'S NORTHEAST COMMISSION/PARTNERSHIP, INC.
Transaction Detail by Account - NEED
July 1996 through March 1997

Type	Date	Num	Name	Memo	Amount
ntributions for Extravaganza					
Deposit	7/31/96	dep	Contributions for Extravaganza	Virginia Power	1,000
Deposit	7/31/96	dep	Contributions for Extravaganza	Sprint Mid-Atlantic	250
Deposit	7/31/96	dep	Contributions for Extravaganza	N. C. Natural Gas	250
Deposit	9/4/96		DEPOSIT	CENTURA BANK	1,000
Deposit	9/4/96		DEPOSIT	FIRST CITIZENS BANK	250
Deposit	9/26/96		DEPOSIT	NC ELECTRIC MEMBERSHIP	1,000
Deposit	9/26/96		DEPOSIT	ELECTRICITIES OF NC	1,000
Deposit	11/1/96		Fall Extravaganza Contributions	Wachovia	1,000
Deposit	11/1/96		Fall Extravaganza Contributions	360 Communications	1,000
Deposit	12/4/96		DEPOSIT	NATIONSBANK	50
Total Contributions for Extravaganza					7,850
In-State Travel					
Bill	12/16/96		VANN ROGERSON	CLIENT HANDLING	-161
Total In-State Travel					-161
In-State Subsistence					
Bill	12/16/96		VANN ROGERSON	CLIENT HANDLING	-37
Total In-State Subsistence					-37
Schools & Meetings					
Credit Card Charge	10/25/96	5	NC ASSOCIATION OF CPA'S		-190
Bill	12/16/96		VANN ROGERSON	CLIENT HANDLING	-9.9
Check	1/13/97	2418	VANN ROGERSON	DECEMBER 1996 EXPENSE REIMB...	-266
Credit Card Charge	1/30/97	2	WATERMANS GRILL	Rick-NEED budget mtg	-46
Check	1/31/97	2454	GUY WEBB	TRAVEL REIMBURSEMENT	-9.0
Bill	2/28/97		GUY WEBB	refreshments -NEED mtg 2-28-97	-15
Check	3/13/97	2590	GUY WEBB	3/11/97 mtg refreshments	-5.9
Bill	3/31/97		GUY WEBB	refreshments -NEED mtg 2-28-97	-13.0
Total Schools & Meetings					-556
Miscellaneous Expense					
Bill	12/16/96		VISTA FLORIST	PERRY/PLANT	-25
Check	3/13/97	2584	BARBARA L BOYNTON	plant for Melanie Thompson	-37
Total Miscellaneous Expense					-65
Printed Materials					
Brochures					
Bill	2/18/97		EMERY ADVERTISING	2,000 Area Info Brochures	-9,045
Check	3/13/97	2592	EMERY ADVERTISING	sales tax	-540
Bill	3/31/97		EMERY ADVERTISING	shipping	-93.6
Total Brochures					-9,678.6
Folders					
Bill	2/18/97		EMERY ADVERTISING	2,000 Pocket Folders	-5,17
Check	3/13/97	2592	EMERY ADVERTISING	sales tax	-307
Bill	3/31/97		EMERY ADVERTISING	shipping	-90.6
Total Folders					-5,569
Logo					
Check	8/29/96	2028	EMERY ADVERTISING	Logo, etc.	-8,334
General Journal	8/29/96		EMERY ADVERTISING	reclass	5,334
Bill	9/12/96		EMERY ADVERTISING	FIRST DRAW FOR MARKETING & P...	-8,334
General Journal	9/12/96		EMERY ADVERTISING	reclass	8,334.0
Bill	10/14/96		EMERY ADVERTISING	2ND DRAW	-8,334
General Journal	10/14/96		EMERY ADVERTISING	reclass	8,334.0
Total Logo					-3,000.0
Beach/Interstate Billboard					
Check	7/29/96	1552	CRESCENT ACRES	BILLBOARD AD	-250.0
Total Beach/Interstate Billboard					-250.0
Supplies-Trade Shows/Recruit					
Bill	10/30/96		PAPERDIRECT INC.	BUSINESS CARDS	-170.4
Bill	10/30/96		PAPERDIRECT INC.	BUSINESS CARDS	-170.4
Bill	11/14/96		DOZIER'S FLORIST	GREEN PLTS	-26.5
Deposit	11/19/96		DEPOSIT	REFUND OF CREDIT	322.2
Bill	12/31/96		HTM CONCEPTS INC	BUS. CARDS	-354.6
Total Supplies-Trade Shows/Recruit					-399.7
Reg. Manufacturing Directory					
Bill	2/18/97		EMERY ADVERTISING	2,000 Mfrs. Directories	-5,045.7

Virginian Pilot

Economic pump-primers prepare to enter new era

By Mason Peters
STAFF WRITER

WILLIAMSTON — Members of the Northeast Economic Commission swept through an agenda Wednesday and prepared to elect new officers next month to take over a big-bucks pump-priming organization that has $1,442,759 in the bank.

The meeting adjourned early with one budget question unanswered by the commission's executive director.

Chairman Jimmy Dixon, a Pasquotank County commissioner, canceled a scheduled closed session and called for adjournment as rain squalls from Tropical Storm Arthur caused the Roanoke River to swirl past the riverbank recreational center where the final meeting of this fiscal year was held.

Reviewing business, Buck Suiter, an Ahoskie banker who is the commission's treasurer, reported the panel had $1.4 million on hand at the end of 11 months ending May 31, 1996.

But a check after the meeting of his written report showed Suiter listed $231,203 spent for "other services." The charges were among the largest individual outlays by the commission during the reporting period.

Please see **Era,** *Page* **B3**

Era:

Continued from Page B1

"I hate to admit it, but I really don't know what the 'other services' are," said Richard Watson, the $75,000-a-year commission director, when he was asked about the expenditure later.

Dixon, Suiter and J.P. Timberlake III, the panel's Edenton accountant, dispersed after the meeting and could not be reached for an explanation.

"Obviously, 'other services' will need clarifying as quickly as possible," said Watson.

But there was good news from Watts Carr, special representative for Gov. James B. Hunt Jr. on the economic panel. Carr said members of the General Assembly favor the work already done by seven regional economic commissions the legislature created 1992.

"The General Assembly has already earmarked $4.68 million for the commissions. The funds will be apportioned to the regional panels depending on geographic needs of each," Carr said.

When the legislators established the regional panels, the northeastern commission received $1.2 million with the promise of more to come each year. So far, the panel has received more than $2.4 million.

Projects listed as financed by the panel include $125,000 to renovate Edenton's airport, $120,000 for a county commuter system; $200,000 for a Babe Ruth World Series in Dare County (although the commission has whittled that figure since it was entered), a $30,000 water study for the future needs of northeastern North Carolina, and $520,000 to link the Albemarle with a vast data base that will help industries or other business relocate in North Carolina.

The commissioners also formally signed a contract to support the Dismal Swamp Canal Welcome Center on U.S. 17 north of South Mills.

"It's the first time in years," said Penny Leary-Smith, director of the center, "that we feel stabilized enough to truly perform our function of making people glad to be in North Carolina."

Dixon earlier named Jack Runion, a retired executive of North Carolina Power, as chairman of a nominating committee to produce candidates for election next month as the commission's new leaders.

Runion said he expected the new slate would be elected at next month's commission meeting.

Development panel releases spending detail

Consultants, travel, gifts and lawyers consumed a "special services" budget.

By Mason Peters
STAFF WRITER

ELIZABETH CITY — Detailed reports Thursday of how ~~$222,554.30 in funding for "special~~ services" was paid out by the Northeastern Economic Development Commission showed the money went for consultants, lawyers, travel, meals, gifts and a variety of other expenditures.

When the pump-priming panel met Wednesday at a monthly meeting in Williamston, a more general accounting didn't reveal how the funds were spent for the 11 months ending May 31, 1996.

But the Thursday printouts had the details:

Former state Rep. Vernon G. James, D-Elizabeth City, received more than $12,000 in pay and expenses through 1995, the records showed. James was hired by the commission last year as a consultant-lobbyist, but his services were later dropped.

James spent nearly a quarter of a century in the Legislature and is eligible for retirement benefits.

The "special services" payments showed that each of the 15 commissioners received $100 a day while on commission business plus travel expenses for a total of $26,850, the report showed.

Dues and membership for Raleigh's exclusive Cardinal Club amounted to $330. A laptop computer for use in the commission's new system of linked computers, part of a state network, required $8,788.16.

A "gift" purchased in Mackey's Ferry in Washington County for unidentified beneficiaries required $1,149.96.

Out-of-state travel costs on commission business required $7,569.93.

Food, catering and refreshments added up to $2,214.81.

Various charges against the commission came from lawyers, accountants and outside planners hired to develop more and better business in the Albemarle:

- J.P. Timberlake III, an ton CPA, received a reported $20,555.72.
- Max Busby, an Edenton lawyer, got $13,815.
- Leak-Goforth of Raleigh nomic consultants, received r than $100,000, the report sho
- A payment of $614.80 w an unidentified badge supplie lapel nameplates for commis members.

Please see **Panel, P**

Panel:

Continued from Page B1

The commission also gave grants to several area counties for economic assistance. Included in the funding was $5,000 for Tyrrell County; $5,000 for Perquimans County; $4,202.50 for Chowan County; and $2,032 for Camden County.

When the commission was created in 1992, the General Assembly gave it $1.2 million in annual operating funds.

At the regular meeting in Williamston on Wednesday the commission treasurer reported he had $1,442,759.13 in the bank.

Two Centura bankers are on the commission, and the financial statements showed that nearly all of the financial transactions were handled by Centura. Last year a Wachovia banker was treasurer and commission money went to that bank.

6-21-96 Edition
The Virginian Pilot

Jun 21 96 14:52

Minutes

House Appropriations Sub-Committee on

Natural and Economic Resources

May 6, 1997 - 8:30 a.m.

The House Appropriations Sub-Committee on Natural and Economic Resources met on Tuesday, May 6, 1997 at 8:30 a.m. in Room 605 of the Legislative Office Building. Representative Frank Mitchell, Co-Chair, called the meeting to order at 8:30 a.m. Members present were Representatives Mitchell, Baker, Carpenter, Owens, Culp, Fox, Hall, Hunter, Tolson, Weatherly and Wilkins.

After introductions, the Sub-Committee reviewed budget reductions, increases and flagged items. Mark Trogdon of the Fiscal Research Division reviewed the Governor's reductions in the Department of Commerce (items on R-1). Representative Hall asked about the cut in the Film Office. Jennifer Herrera of the Fiscal Research Division replied the cut was for travel only. Representative Baker asked if this was non-employee transportation. Ms. Herrera noted this pertained to the members of the Film Council. Representative Weatherly made a motion to accept the cuts (items listed on R-1). By a voice, the motion carried.

Ms. Herrera continued the review on R-2. Representative Baker made a motion to accept the cuts listed on R-2. By voice vote, the motion carried.

Mr. Trogdon continued the review on R-3a and 3b. Representative Baker asked if there were currently eight vacancies. Mr. Trogdon replied there were seven vacancies. He continued by asking if any of the positions had been filled. Leo Tilley form the Department of Commerce replied the positions had not been filled. Representative Weatherly asked if the employees that had previously filled these positions had been transferred into other positions. Mr. Tilley replied some positions were vacated because of transfer and some because of resignations. Representative Hall made a motion to accept the cuts on R-3a and R-3b. By voice vote, the motion carried.

Ms. Herrera reviewed the budget increases on R-3. Regarding item #3, Representative Mitchell asked if there was any change. Ms. Herrera replied there was no recommended increase. Representative Weatherly asked about the decrease of funding to the Council of Governments and their critical need. Ms. Herrera noted what the funding was used for by the COGs, and referred to the Department's response to funding on R-6 and how the grants are used on R-7. Representative Fox asked if funding was reduced to the COGs in the 1995-96 Session. Ms. Herrera replied the Sub-Committee did not reduce the funding during the 1995-96 Session. Representative Wilkins asked if the funding had been cut in earlier sessions. Ms. Herrera replied funding had been cut by $58,000 in the

early 1990's. Representative Culp asked how much would each COG receive. Ms. Herrera replied each COG would receive $48,000. She noted a special provision will follow and language can be added to require the COGs to report to the General Assembly. Representative Baker made a motion to flag the item (#2 on R-3) to be reviewed during final deliberations.

Concerning the executive aircraft, Representative Baker asked what would the cost be. Mr. Tilley replied the purchase cost would be $10 million. Representative Baker asked if the funding is recurring or non-recurring. Mr. Tilley replied the funds are recurring. Representative Baker asked staff why would the funds be recurring. Ms. Herrera replied the funds cover the cost of the ten-year lease on the aircraft. J.W. Reel from the Office of State Budget noted the funds would not be used if the lease was dissolved before the end of a year. Representative Weatherly asked if the Department of Commerce maintains and operates the two aircraft. Mr. Tilley replied the Department does maintain and has priority on the usage of the aircraft. Representative Owens asked if the leases of the two aircraft are the same cost ($600,000 each). Mr. Tilley replied the cost is the same. Representative Mitchell asked if the State could purchase the aircraft at a reduced cost after the ten-year lease expires. Mr. Tilley replied the State will own the aircraft at the end of the ten-year lease. Representative Baker made a motion for the funding to be non-recurring. Representatives Owens and Mitchell spoke against the motion. Representative Baker noted he was in favor of leasing the aircraft but felt recurring funds should be kept to a minimum. By voice vote, the motion was defeated. Representative Owens made a motion for funding to be recurring for the aircraft. By voice vote, the motion carried.

Ms. Herrera continued on R-3 and R-4 by reviewing State Aid to Non-State Entities. Representative Baker asked what is the total in the Governor's budget. Ms. Herrera replied the total is $1.475 million. He continued by asking what is the Senate's recommendation. Ms. Herrera replied the Senate's total is $1.8 million. Representative Owens made a motion to accept the Senate's recommendation. Representative Baker asked for a clarification on the motion. Representative Owens restated his motion to accept the Governor's recommendation and consider the Senate's recommendations at a later time. By voice vote, the motion carried.

Ms. Herrera reviewed item #1 on R-4 concerning the State-owned aircraft. Representative Fox asked if all of the highway patrol helicopters were located in Raleigh. Ms. Herrera replied they are in Raleigh and Salisbury. Representative Culp asked about the "fly ability" of the forestry helicopter. J.W. Reel of OSB noted he wasn't sure and would check to see what the wording meant. Ms. Herrera continued with items #2 and #3 on R-4. Representative Tolson asked how many industrialization centers were across the State. Ms. Herrera replied there are five that are currently funded by the State.

The following is a review of the Department of Commerce.

Mr. Trogdon reviewed the options for discussion listed for the Governor's Commission on Workforce Preparedness (item #4 on R-5). Norris Tolson, Secretary of Commerce, addressed the members about his proposals for the Department with a need to create a special provision in the budget bill. Representative Wilkins made a motion to create a special provision to merge the two divisions together. By voice vote, the motion carried.

Mr. Trogdon reviewed a memorandum from the Department of Commerce regarding the Wanchese Seafood Industrial Park (R-8). He noted the Governor's recommended reduction and the restoration of the funds by the Senate. Representative Owens explained the reason was because of loss of revenue. Representative Mitchell asked Representative Owens would the buildings go to private ownership if and when the buildings at the Park were sold. Representative Owens replied he didn't know. Mr. Tilley noted the property could be sold in the future. Representative Wilkins asked Mr. Tilley if revenues would ever go back into the general fund. Mr. Tilley replied an enterprise fund would go into the general fund. Representative Weatherly asked if the leases were realistic. Mr. Tilley replied the leases are becoming more realistic. Representative Mitchell asked if the funds would be for the construction of more buildings. Mr. Tilley replied the funds would be for renovations of existing buildings that are empty and constructing one building which will approximately cost $100,000. Representative Baker made a motion to accept the Governor's recommendations. Representative Owens spoke against the motion. Representative Wilkins suggested the item be flagged. By voice vote, the motion failed, and the item was flagged for consideration at a future date.

Mr. Trogdon reviewed a memorandum regarding questions about the Hong Kong office (R-9), and a memorandum regarding budget review questions about the regional economic development commissions R-10, 11). Representative Weatherly asked what could be done to encourage counties to contribute funds to the regional economic development commissions. Rick Webb, Assistant Secretary for Regional Operations for the Department of Commerce, noted the fund-raising efforts and success of the different regions. Representative Mitchell asked if the number of new jobs at the Wanchese Seafood Industrial Park included in the figure for the Northeast Partnership. Mr. Webb didn't know if they were included. Representative Weatherly asked if the total number of jobs didn't reflect a relationship with the Department of Commerce. Mr. Webb replied the report didn't reflect a relationship with the Department of Commerce. Mr. Trogdon noted the Senate's budget reduction by $225,000. Representative Baker made a motion to flag the item for later deliberation which was accepted by the Sub-Committee members.

Mr. Trogdon reviewed the memorandum (R-12, 13) regarding a comparison study of economic development resources in the surrounding states done by the Business/ Industry Development Division of the Department of Commerce. He noted that the

Fiscal Research staff had also done research, and it is hard to get correct information. Jim Nichols, Director of the Division, further addressed the members. Representative Wilkins asked what is the salary range of the Department's economic developers. Mr. Nichols replied typically the salary range is from the low to mid $30,000s up to $60,000. He continued by asking how many developers are there. Mr. Nichols replied there are ten developers on the national staff, six on the international staff, and ten on the regional staff. Representative Owens asked about the competitive funds of Virginia and South Carolina. Mr. Nichols replied the figures are hard to pinpoint, and funds for large projects are increased. Representative Wilkins asked about tax incentives. Mr. Nichols replied South Carolina and Virginia have been leaders with incentives to bring industries to their state. Representative Tolson asked how cash grants relate to the Governor's competitive funds for the State. Mr. Nichols replied North Carolina isn't as competitive as Virginia. He noted the training fund in South Carolina is $20 million. Representative Mitchell asked how North Carolina's unemployment rate compares with Virginia and South Carolina. Mr. Nichols replied the State's unemployment rate is better than South Carolina and Virginia. Representative Owens asked if the Sub-Committee would consider increasing the Governor's competitive funds ($1 million) and designating a portion to Tier 1 counties for infrastructure and water/sewer. Representative Carpenter thought this was a good idea. Representative Owens asked if there would be a problem to designate funds for Tier 1, 2 and 3 counties. Mr. Nichols replied it would be a plus particularly regarding water/sewer projects. Representative Owens made a motion to increase the Governor's competitive funds from $1 million to $2 million, and earmark $1 million to go to Tier 1, 2, and 3 counties. Representative Mitchell voiced his opposition to the motion. Representative Culp noted he had heard the counties were to be reformulated regarding the Tier system. Representative Baker made a substitute motion to delay a decision until further information can be provided on the budget. Representative Owens withdrew his motion, and Representative Baker withdrew his motion. The item was flagged to be considered at a later date.

Mr. Trogdon reviewed the budget for the marketing program of the Global Transpark (R-14,15). Representative Baker asked if the formula had been changed on the allocation. Mr. Jim Sughrue, Director of the Global Transpark, replied that dealt with the Global Transpark Authority which is separate. Representative Baker made a motion to accept the Senate's budget reduction of $150,000. By voice vote, the motion carried.

Mr. Trogdon briefly reviewed how the enterprise tier designation from the Industrial Finance Center in the Department of Commerce is calculated (R-16).

After a brief review of the afternoon's agenda, the Sub-Committee adjourned at 9:45 a.m.

May 6, 1997 - 3:00 p.m.

The House Appropriations Sub-Committee on Natural and Economic Resources met on Tuesday, May 6, 1997 at 3:00 p.m. in Room 605 of the Legislative Office Building. Representative Frank Mitchell, Co-Chair, called the meeting to order at 3:00 p.m. Members present were Representatives Mitchell, Baker, Carpenter, Owens, Culp, Fox, Hall, Hunter, Tolson, Weatherly and Wilkins.

After introductions, Ms. Herrera reviewed the Governor's recommended budget adjustments for the Rural Economic Development Center (R-20, 21, 22), and noted items for committee discussion. Representative Weatherly asked if items 2-8 on R-22 were to be lumped together. Ms. Herrera replied these are grants that have been funded with non-recurring money but each is reviewed each year to consider increasing or decreasing the funding. Representative Mitchell asked if the Senate agreed with the Governor's recommendations to fund the Opportunities Industrialization Centers (item #8, R-22). Ms. Herrera replied the Senate had agreed to the Governor's recommendation. Representative Mitchell asked what would the additional funding be used for. Ms. Herrera replied all of the OIC's (five centers total) would use the funds. Representative Owens asked if each center would receive the same amount. Ms. Herrera replied each center would receive $50,000. Billy Ray Hall, Director of the Center, addressed the members concerning the funding recommendations. Representative Hunter asked for a clarification on item #3 (R-21) in which Ms. Herrera explained. Representative Hunter made a motion for the CDC's to report to the Department of Commerce like other non-profits. Representative Culp asked Mr. Hall what does the Coalition of Farm and Rural Families do. Mr. Hall replied although the Rural Center doesn't administer the program with the Coalition, they work with small farms (particularly minority farms) in developing marketing plans for farm products. He noted the program is statewide. Representative Hunter asked why didn't the CDC's go through the Department of Commerce. Ms. Herrera replied the Rural Center acts as a administrative agency for the organizations. By a voice vote, the motion carried. Representative Hunter asked that a special provision be drawn up that the CDC's must report to Governmental Operations, the Sub-Committee, and to Fiscal Research twice a year.

Mr. Trogdon reviewed the Department of Labor's Private Personnel Services Bureau (R-23, 24). With no further questions, the flag was removed. Another item concerning OSHA positions was reviewed (R-26,27) Dana Cope of the Department of Labor addressed the members about the wishes of the Department and explained House Bill 447. Representative Baker asked what is the status of the bill (HB 447) in which Mr. Cope explained. Representative Baker asked what was the appropriation amount. Mr. Cope replied the appropriation is $1.3 million. Representative Carpenter made a motion to accept option #2 (R-27) without the Senate's reduction. Representative Owens asked that a special provision be written to direct funds to be used specifically for the purpose of working with a business before penalizing them for violations. Representative Carpenter agreed to include the special provision in his motion. Representative Baker

recommended adding House Bill 447 into the budget bill as a special provision. After discussion, Mr. Trogdon restated the interest of the Sub-Committee which is to accept option #2, draft a special provision to direct the federal funds to be used for working with businesses, and include the language in Representative Carpenter's bill (HB 447) in the special provision. By voice vote, the motion carried.

Ms. Herrera reviewed the funding for the multi-county water conservation and infrastructure district in DEHNR (item #1, R-29). Representative Baker asked if there was funding in the budget for the original eight counties. Ms. Herrera replied they are (all fifteen counties are receiving funding). Representative Baker requested this item be flagged for further discussion. She continued by reviewing salary reductions and the span of control (item #2, R-29, 29a-d). Representative Mitchell asked how many positions are there totally. Ms. Herrera replied there are 35 positions which are mostly vacant. Representative Owens asked how many positions have been added since the end of the last session through receipts. Henry Lancaster, Deputy Secretary of DEHNR, replied he didn't know how many had been added, and would get the information for the members. He noted seven positions in the Division of Forest Resources that were to be cut are being filled. Representative Culp asked were these positions in Raleigh or across the State. Mr. Lancaster replied the positions are located throughout the State. Representative Weatherly asked what do the non-supervisory positions have to do with the span of control. Mr. Lancaster explained the Department's goal with the span of control. Representative Carpenter asked if the position of Forest Technician in Cherokee County had been filled. Ms. Herrera replied the position is currently vacant. Representative Baker asked how much of the objective has been reached by non-salaried personnel action. Ms. Moon replied the figure would be $587,307 (page 3) in the Natural Resources Division that are non-salaried, $66,995 in the Environment Division (page 2), and $148,699 in the Health Division (page 1). Representative Baker noted the largest figure is in the Health Division which is transferring to DHR, and wondered if there is any significance. Mr. Lancaster replied there isn't any significance. Representative Baker asked how many in a supervisory capacity would be cut. Mr. Lancaster replied there are twelve positions that would be cut.

The Sub-Committee adjourned at 3:50 p.m.

Respectfully submitted,

W. F. Mitchell
Frank Mitchell
Co-Chair

Susan Thomason
Susan Thomason
Clerk

House Appropriations Subcommittee on
Natural and Economic Resources

May 6, 1997
(Morning)

Room 605, Legislative Office Building

1. Chairman's Remarks

2. Committee Review of Reductions, Increases, Issues and Flags

   Department of Commerce
   Rural Economic Development Center
   Department of Labor

      Jennifer Herrera
      Mark Trogdon

3. Committee Discussion

4. Instructions to Staff

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Natural and Economic Resources — Name of Committee

May 6 1999 — Date

8:30am

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Dr. Carolyn Prince	NC Coalition of Farm and Rural Families 342 Wagoner Drive, Fayetteville, NC 28303
Johnny Gray	OSBM
Spellee Watteria	OSBM
JW Reed	OSBM
WILLIAM T. KING	DEPT OF COMMERCE
Phillip R. Wilson	" " "
Andrea HARRIS	NCIMEN
Linda Gunn	REDC
Billy Ray Hall	Rural Center
Rick Webb	Dept of Commerce
Walt Plosica	NC AFTs
Bruce Lattimore	Industrial Commission
Stewart Dickinson	Commerce Finance Ctr.
Lacy Maddox	Labor
Becky Brown	"
Dana Cope	"
Adam Searing	NCHAC
Angela Griffin	OSBM
Arlen Barwick	OSBM
Rhonda Raney	NCACDC

HOUSE NER COMMITTEE REVIEW
DEPARTMENT OF COMMERCE

R-1

Governor's Recommended Continuation Budget Adjustments (Summary Volume)

	1997-98	1998-99
1) **Economic Development Program** – The 1997-99 budgets for computer and data processing services and membership dues and subscriptions were reduced. (Senate accepted)	(29,000)	(29,000)
2) **Executive Aircraft** – The 1997-99 budgets were reduced to effectuate savings due to the leasing of new aircraft and thereby the associated warranties should reduce the need for repair funds. (Senate accepted)	(188,000)	(188,000)
3) **Film Office** – The budget for board and non-employee transportation were reduced to effectuate savings. (Senate accepted)	(25,000)	(25,000)
4) **Industrial Commission** – The Commission is to budget additional cost receipts and reduce General Fund appropriation. (Senate accepted)		
Requirements	--	--
Receipts	202,000	202,000
Appropriation	(202,000)	(202,000)

HOUSE NER COMMITTEE REVIEW
DEPARTMENT OF COMMERCE

	1997-98	1998-99
5) **Administrative Services** -- Additional indirect cost receipts were budgeted and therefore General Fund appropriations were reduced. (Senate accepted)		
Requirements	--	--
Receipts	52,000	52,000
Appropriation	(52,000)	(52,000)
6) **Travel and Tourism** – Additional receipts were budgeted for services provided and therefore the General Fund appropriations were reduced. (Senate accepted)		
Requirements	--	--
Receipts	12,000	12,000
Appropriation	(12,000)	(12,000)
7) **Transfer Welcome Centers to Highway Fund** – This recommendation is to transfer the eight welcome centers presently located on four interstate highways from the Travel and Tourism Division of the Department of Commerce (General Fund) to the Department of Transportation (Highway Fund). (Senate rejected)		
Requirements	(1,402,203)	(1,403,578)
Receipts	(2,000)	(2,000)
Appropriation	(1,400,203)	(1,401,578)
	-42.0	-42.0

HOUSE NER COMMITTEE REVIEW
DEPARTMENT OF COMMERCE

	1997-98	1998-99
8) **Salary Reductions/Span of Control Study** – The Department of Commerce's allocated share of this overall reduction. (Senate accepted)	(672,485)	(672,485)
Total Reductions from Summary Volume	(2,580,688) -42.0	(2,582,063) -42.0

Major Continuation Budget Increases

1) **Executive Aircraft** – Increase in continuation budget to reflect the lease purchase of 2 new aircraft (Citation Jet and Bell Helicopter) (Senate accepted)	1,200,000	1,200,000
2) **Funding for Councils of Government (COGs)** - Transfer from Office of State Planning to the Division of Community Assistance to fund 18 regional COGs/Lead Regional Organizations (Senate accepted transfer with a $180,000R reduction)	864,270	864,270
3) **State Aid to Non-State Entities** - Increase in continuation budget to reflect recurring appropriations for the following non-profits: Land Loss Prevention Project, Coalition of Farm and Rural Families, NC Institute of Minority Economic Development, and NC Minority Support Center (Senate eliminated from continuation budget and funded in expansion budget with additional $)	1,475,000	1,475,000

SPAN OF CONTROL / SALARY REDUCTIONS

COMMERCE REDUCTIONS

K-3a

*	Fund #1111 Administrative Services	Chief Deputy (Deputy Sec'y)	$82,125	
		Hospital Insurance	1,736	
		SS & Retirement	15,177	$ 99,038
	Fund #1511 (Vacant) Economic Dev. Program	Information & Comm Spe. III	$32,016	
		Hospital Insurance	1,736	
		SS & Retirement	5,917	39,669
*	Fund #1541 International Trade	Director of International Mktg	$42,636	
		Hospital Insurance (Deputy Dir.	1,736	
		SS & Retirement for Int. Trade)	7,879	52,251
*	Fund #1531 Business & Industry	Industrial Development Manager	$62,700	
		Hospital Insurance (Deputy Dir.)	1,736	
		SS & Retirement	11,587	76,023
	Fund #1541 International Trade	Secretary III	$20,151	
		Hospital Insurance	1,736	
		SS & Retirement	3,724	25,611
	Fund #1511 Economic Dev. (Vacant) Program	Social Research Asst II	$25,742	
		Hospital Insurance	1,736	
		SS & Retirement	4,757	32,235
	(Move position to Federal Funds) Fund #1651 Energy	Administrative Officer III	$34,008	
		Hospital Insurance	1,736	
		SS & Retirement	6,285	42,029
	(Move position to Federal Funds) Fund #1620 Community Assistance	Social Research Associate II	$44,335	
		Hospital Insurance	1,736	
		SS & Retirement	8,193	54,264
	Fund #1551 Travel & Tourism	Processing Asst III	$18,846	
		Hospital Insurance	1,736	
		SS & Retirement	3,483	24,065
		Subtotal (Commerce)		$445,185

* = SUPERVISORY POSITIONS

INDUSTRIAL COMMISSION
FUND #1831

	Processing Unit Supervisor V	$28,518	
*	Hospital Insurance	1,736	
	SS & Retirement	5,270	35,524
	Processing Assistant IV	$20,068	
	Hospital Insurance	1,736	
	SS & Retirement	3,708	25,512
	Processing Assistant IV	$21,640	
(Vacant)	Hospital Insurance	1,736	
	SS & Retirement	4,000	27,376
	Processing Unit Supervisor IV	$20,067	
* (Vacant)	Hospital Insurance	1,736	
	SS & Retirement	3,708	25,511
	Processing Assistant II	$17,717	
(Vacant)	Hospital Insurance	1,736	
	SS & Retirement	3,274	22,727
	Claims Examiner V	$22,722	
	Hospital Insurance	1,736	
	SS & Retirement	4,199	28,657
	Applications Programmer I	$32,016	
(Vacant)	Hospital Insurance	1,736	
	SS & Retirement	5,916	39,668
	Statistical Assistant III	$17,378	
(Vacant)	Hospital Insurance	1,736	
	SS & Retirement	3,211	22,325
	Subtotal (Industrial Commission)		$227,300
	TOTAL REDUCTIONS		$672,485

* = Supervisory Positions

HOUSE NER COMMITTEE REVIEW
DEPARTMENT OF COMMERCE

Committee Discussion Issues

1) The committee had requested staff to provide information related to the number of state owned aircraft. The 1995 General Assembly required the Office of State Budget and Management to study the use of state owned aircraft and report the results of the study to the Joint Legislative Commission on Governmental Operations by April 1, 1996. A copy of that report is attached.

2) The committee had a number of questions related to the transfer of funding for COGs from the Office of State Planning to the Division of Community Assistance. Specifically, the committee posed questions pertaining to the types of activities funded through recent appropriations and the rationale for the funding formula that provides equal shares for each region. The Department's response is attached.

3) The committee discussed the issue of recurring versus nonrecurring funding for non-profits included in the Governor's Recommended Continuation Budget. Additionally, the committee requested information regarding the number of non-state entities which received recurring appropriations from the General Assembly. Specifically in the Natural and Economic Resources area, the General Assembly funds the following non-profits with recurring funding: MCNC, NC Biotechnology Center, Rural Economic Development Center, Partnership for the Sounds, Opportunities Industrialization Centers, NC Community Development Initiative, Research Triangle International Visitors Center, and the Adolescent Pregnancy Prevention Coalition.

HOUSE NER COMMITTEE REVIEW
DEPARTMENT OF COMMERCE

4) The Committee placed a flag on the following issue in the presentation on the Governor's Commission of Workforce Preparedness:

In October 1996, the State Auditor issued a Performance Audit of the state's Workforce Development programs. In that report the State Auditor recommends that " (t)he General Assembly should consider the consolidation of federal and state funded workforce development programs and activities."[1] He went on to state that "(t)his consolidation should result in a single agency consisting of the **Employment Security Commission** and other workforce development agencies, divisions and programs.[2] The other programs identified by the State Auditor are as follows: the **Commission on Workforce Preparedness, the Division of Employment and Training, the Work First program, the Food Stamp Employment and Training program, the Jobs Corp Outreach and Recruitment program, and the Division of Vocational Rehabilitation.**

Options for Discussion

1) **Consider the State Auditor's recommendation**. This option will require the NER committee to work jointly with the DHR committee since the Work First program, the Food Stamp Employment and Training program, the Jobs Corp Outreach and Recruitment program, and the Division of Vocational Rehabilitation are budgeted in the Department of Human Resources budget.

2) **Consider consolidation of job training programs recommended by the State Auditor within the jurisdiction of the NER committee.** This would include the following programs in the Department of Commerce: the Employment Security Commission, the Division of Employment and Training, and the Governor's Commission on Workforce Preparedness.

3) **Consider reauthorizing the Job Training Study Commission.** This Commission, when its authorization expired, was in the process of evaluating all the state's job training programs including those in the Community Colleges and vocational education programs under the Department of Public Instruction.

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[1] State of North Carolina, Workforce Development Programs in North Carolina, Office of the State Auditor, October 1996, p. 17.
[2] Ibid., p. 17.

R-6

North Carolina
Department of Commerce

James B. Hunt Jr., Governor

E. Norris Tolson, Secretary

March 21, 1997

TO: Jennifer Herrera

FROM: William A. McNeil, Director
Community Assistance

Paul Hughes, Executive Director
North Carolina Regional Council Directors Association

Senate reduced budget by $180,000

SUBJECT: Regional Council Funding Issues

This memorandum responds to your request for information concerning state funding for Regional Councils, addressing two issues: 1) activities funded through recent appropriations and 2) the rationale for the funding formula that provides equal shares for each region.

A summary describing the range of activities which regional councils have undertaken with state funds is enclosed. Activities vary from region to region, locally determined by the local governments which make up the governing boards of each regional council.

On the second question, the simple answer is that previous General Assemblies have directed that the dollars be distributed in equal shares. However, the formula that the Legislature set for the distribution weights the money toward small and rural areas. Cities over 50,000 are deleted from the calculations; the money is allotted to small municipalities and rural areas and then released by resolution from each of the entities, with the counties covering the unincorporated areas. The formula is referenced in the session laws.

The General Assembly considered an allocation based on "need" when it first authorized the money. The committee members explored concepts including a "base-plus" allotments using a number of factors, but could not agree on what factors best represented equity while reaching their target--small and rural areas. They looked at number of units of local government served, the compactness of the area served, the size and relative wealth of the communities, the size of the unincorporated areas, etc. (for example, does a region with 60+ units of local government need more assistance than a region with 20+ units when all units are isolated, small and poor?).The committee, and later the full legislature, decided to express their intent through the formula.

Division of Community Assistance - William A. McNeil, Director
Suite 250, 1307 Glenwood Avenue, P. O. Box 12600, Raleigh, North Carolina 27605
Telephone 919-733-2850 • FAX 919-733-5262 • TDD 1-800-735-2962

K-7

A Report on the Use of State Funds for Community and Economic Development

The Community and Economic Development funds granted to the 18 Regional Councils by the NC General Assembly are used to provide various economic and community development technical services to local governments, particularly smaller units. These are services that these local governments cannot otherwise provide individually. Each Regional Council develops a work program that is approved by the respective Board of Directors. Regional Council Boards are composed of local officials. The Regional Councils cannot and do not receive these funds unless approved by resolution by local governments in the region. Although, the work programs vary somewhat from region to region, activities generally can be summarized in the following broad categories:

A) Grant Preparation Assistance to Local Governments

Many, perhaps most, regions utilize a significant portion of their funds ($48,015 max) to provide federal and state grant assistance to their local governments. Several regions have no other outside source of funding to provide this service. Primarily, this grant assistance is for infrastructure grants, such as water and sewer, which have a direct economic development impact by creating or retaining jobs.

B) Small Business Development

Several regions utilize a portion of their state funds to help staff business loan programs such as SBA 504 or revolving loan programs. These services lead directly to the establishment or expansion of small businesses leading to jobs creation.

C) Data Services

All Regional Councils are designated by the state as regional data centers. As such, the Councils provide ongoing data collection for local governments, agencies, developers, engineers and others. No other direct funding exists to provide this service.

D) Other Community and Economic Development Services

Some of the Regional Councils use a portion of these funds to underwrite costs associated with other technical services provided to their local governments. This includes, but is not limited to, local planning assistance, foundation applications, solid waste planning assistance, assistance in planning and development industrial parks, strategic planning assistance, river basin planning assistance, and other such services requested by local governments.

E) Management Services and Assistance

Several of the Regional Councils have utilized a portion of their state funding to provide management services to their local governments, particularly smaller units. These services include personnel studies, pay plans and classification studies, financial and accounting assistance, interim staffing assistance, facilitation services, automation services, and other similar assistance.

This report reflects the most common activities. Regional Councils also use funds for projects that are unique to that region, inclusive. Each region submits a report each year to the Office of State Planning. Finally, it should be noted that this program is endorsed and supported by the NC Association of County Commissioners and the NC League of Municipalities.

R-6

North Carolina
Department of Commerce

James B. Hunt Jr., Governor

E. Norris Tolson, Secretary

March 12, 1997

MEMORANDUM

TO: Mark Trogdon

FROM: Leo Tilley Leo T.

On Monday afternoon, Representative Mitchell asked for the present value of the Wanchese Seafood Industrial Park. I contacted the State Property Office and they gave me a figure of approximately $12,000,000. This is not a formal appraisal, but actually their educated opinion after reviewing the situation and talking with a couple of realtors in the Wanchese area.

cc: J. W. Reel
Angie Harris
Phil Wilson

Senate restored Governor's Construction Budget Reduction - $122,594

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12.9

North Carolina
Department of Commerce

James B. Hunt Jr., Governor

March 20, 1997

E. Norris Tolson, Secretary

MEMORANDUM

TO: Mark Trogdon

FROM: Leo Tilley Leo Tilley

SUBJECT: Sub-Committee Questions - Hong Kong Office

Representative Baker asked some questions relative to our International Trade Office in Hong Kong, and I indicated I would discuss with the Secretary and respond.

1. **What do we anticipate happening July 1, 1997, when Hong Kong will revert to Chinese sovereignty?**

   - **People we have talked with in the U. S. Department of Commerce, U. S. Trade Administration, Department of State, etc., feel there will be little, if any, change in the relationship between business people in Hong Kong and business people around the world. It has been working too well to make changes.**

2. **Where would we move our office should political instability take place?**

   - **In the event the office needs to be moved, we feel the best place to cover that region of the world would be Indonesia. It is agreed that the ASEAN countries are a major part of the growing economic picture, a Big Emerging Market. Should this move be essential, we feel our present trade director in Hong Kong would be willing to relocate with our office.**

Attached is testimony given by Jeffrey A. Bader before the House International Relations Committee, Subcommittee on Asia and the Pacific in Washington, D. C., February 13, 1997.

cc: J. W. Reel
Angie Harris
Bill King
Phil Wilson

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R-10

Senate reduced budget by $225,000

MEMORANDUM

TO: Mark Trodgen, Fiscal Analyst
NC General Assembly

FROM: Rick Webb, Assistant Secretary for Regional Operations
NC Department of Commerce

RE: Response to Budget Review Questions from the Joint House and Senate Natural and Economic Resources Appropriations Sub-Committee

DATE: March 19, 1997

In follow-up to the request by the Joint House and Senate Natural and Economic Resources Appropriations Sub-Committee, I have outlined below responses to two items not discussed in the recent budget review of Regional Economic Development Commissions.

I. Examples of leveraging private funds.

Six of the seven regional commissions have programs underway to leverage funds from the private sector. Based on a survey I conducted among the seven regional commissions/partnerships, approximately $2.248 million dollars is being leveraged from the private sector. An additional $2.125 million dollars is being leveraged from governmental sources. *

The leveraging of private sector funds is most successful in the urban areas with the Carolina's Partnership, Piedmont Triad Partnership, and Research Triangle Partnership raising approximately 67.8% ($1,542 million dollars). The rural partnerships of AdvantageWest, NC' s Southeast and NC's Northeast have raised $724,000 in private sector funds.

The Global TransPark Region has not raised private sector funds but has generated $1.205 million dollars from the license tag fee being assessed in their region.

* Includes the license tag fee revenues for the Global TransPark Region.

II. How the department and the commissions coordinate on a common message in marketing, presentation at trade shows, and in prospect handling.

The seven regional commissions/partnerships meet on a regular basis to discuss ways to better coordinate their overall marketing activities. Through the NC Partnership for Economic Development, the regions and the department are seeking to promote a "seamless environment" for clients looking to locate or expand their business in our state.

Most recently, the department has joined with the seven regions to launch a program called TEAM NC. TEAM NC is bringing together the seven regional commissions with the department at major trade shows and marketing outreach events. A kiosk highlighting the seven regions and the TEAM NC theme will be unveiled May 11 in Indianapolis, Indiana at the International Developers Research Council Annual Conference. This is the premier event for commercial and industrial real estate decision maker in the country.

Using the TEAM NC concept, both the Commerce Department and the seven regional commissions/partnerships plan to create a NC Pavilion at key domestic trade shows and work together in joint trade missions.

In regards to client handling, all seven regions recognize that the Department of Commerce is the lead economic development agency in the state. In three of the regions, (AdvantageWest, NC's Northeast and Research Triangle) Department of Commerce personnel handle all clients generated by their own marketing activities. In the remaining regions, they use their own personnel and regional commerce developers to handle clients.

In regards to the Department of Commerce, our developers notify the regional commissions when they bring a client into their region. In many cases, the region will assist with the visit or provide support. On other occasions, the Department of Commerce has sent out client inquiries to the regional commissions/partnership to recommend potential sites. The regions have responded with professional packages which have been of assistance to both the state developer and client. We envision improving this process in the coming year and leverage the resources and expertise of the commissions to better serve our clients.

Q-12

March 22, 1997

MEMORANDUM

TO: Mark Trogdon

FROM: Jim Nichols

SUBJECT: Business/Industry Development Efforts- Quick Comparison with Neighboring States

Mark, the Business/Industry Development Division is initiating a study which will benchmark our key economic development attributes and resources with those of our competitor states. This memo reflects the best comparative statistics we have currently gathered from the National Association of State Development Agencies (NASDA), a comparative Southeastern states marketing survey, and our contacts with other state development agencies. Because organizations and budgets are not uniform across states, these numbers reflect our best estimates. We believe that our upcoming benchmark study will provide more detail.

	NC	GA	SC	TN	VA
Personnel	62	85	90	92	85
Budget	$6,400.,000	8,000,000	7,800,000	7,500,000	13,200.000
Secretary/ Director Salaries	$80-90,000	85-95,000	100-140,000	80-90,000	100-120,000
1996 Marketing Budget	$529,427	1,800,000	300,000	500,000	2,475,000
1997 Marketing Budget	$500,000	800,000*	700,000	500,000	3,650,000

R-13

	NC	GA	SC	TN	VA
Governor Comp. Fund or equivalent	$1million	n/a**	n/a**	$100million***	$15million

*Decrease due to high number in 1996 summer olympics

** Per NASDA survey

*** Tennessee's fund is TIIP (Tennessee Industrial Infrastructure Program)

E-14

Global TransPark FY 97-98 Marketing Budget (Proposed)

This budget for marketing continues a reduction of $100,000 from the funds appropriated in FY 95-96. This reduction reflects a decision by the Authority to focus its attention on selected marketing programs that do not include extensive advertising expenses, until such time as the Environmental Impact Statement is completed and these activities can be reconsidered.

The marketing program will continue its intensive efforts to utilize a variety of cost-efficient media and trade advertisements, trade shows, personal presentations, direct mail, and electronic services in marketing the Global TransPark. The Authority will continue close coordination and interaction with other state, regional and local economic development organizations, such as the N.C. Department of Commerce, Global TransPark Development Commission, and county-based organizations in the region.

The marketing program will seek to build upon the growing relationships in the GTP Network for the purpose of stimulating awareness among prospective users and tenants of the TransPark both domestically and abroad. A concerted initiative is already underway and will be continued during the coming fiscal year to promote greater use of the Kinston Regional JetPort for cargo movement by attracting the firms necessary to provide that service.

Senate reduced budget by $150,000

Q-15

Program	Account	FY 97-98
Salaries and wages	2180	67,500
Temporary labor	2190	2,000
Payroll additives	2200	17,500
Employee in state subsistence	2360	8,000
Employee in state transportation	2370	6,000
Employee out state subsistence	2380	11,000
Employee out state transportation	2390	15,500
Employee other travel expense	2400	500
State aircraft	2500	5,000
Cellular telephone	3218	600
Telephone and telegraph	3220	2,200
Postage	3230	5,000
Rent of Land and Structure	3300	18,000
Repair/service to equipment	3420	1,000
Repair/service to DP equipment	3470	1,500
Dues and Subscriptions	3520	5,000
Advertising and Promotions	3700	74,146
Office supplies	4100	4,500
Printing and binding	4110	16,000
Software data processing	4130	3,500
Data processing equipment	5100	17,500
Office furniture and equipment	5110	2,500
Communications equipment	5180	1,500
Payments to contractors		
Aviation cons/federal programs	3531	2,000
Project development/ research	3532	10,000
Legal and accounting	3533	1,000
Computer expenses/service	3535	18,000
Other agencies	3536	5,000
Total Marketing		321,946

R-13

Enterprise Tier Designations in North Carolina

These designations are prepared and announced each December by the Secretary North Carolina Department of Commerce for the purpose of naming and classifying all 100 counties to participate, and the rate at which they participate, in the following incentives:

A. Tax Credits

1. **Jobs Tax Credit**
2. **Machinery and Equipment Investment Tax Credit**
3. **Worker Training Tax Credit**
4. **Research and Development Tax Credit**

B. Industrial Development Fund

The procedures for designating counties are spelled out by statute:

G.S. 105-129.3

First Step

The Secretary of Commerce Shall assign to each county in the state a factor that is the sum of 3 rankings:

1. The county's ranking, lowest to highest, in rate of unemployment. (Initially, this comes by dividing the county's unemployment by its civilian labor, then multiply by 100.) Source: ESC

2. The county's ranking, highest to lowest, in percapita income. (The ranking comes from comparing raw income figures derived by US Commerce.) Source: US Department of Commerce, Bureau of Economic Analysis.

3. The county's ranking , highest to lowest, by percentage growth in population. (1995 and 1990 census amounts (change) divided by 1990 amount, times 100, or 1995-1990/1990 x 100. Source: US Commerce, Bureau of Census.

Note: The latest available data is used at the time of designation.

Second Step

1. Add the 3 rankings for each county across to get the SUM of rankings.

2. Sort SUM of rankings from highest to lowest, then number these (highest to lowest numbers) from 1 to 100.

Third Step

1. Select the 10 counties having the highest factors (combined ranking sums) and designate as Tier I counties.

2. Select the next 15 counties with highest factors and designate as Tier II counties.

3. Select the next 25 as Tier III counties.

4. Select the next 25 as Tier IV counties.

5. Select the next 25 as Tier V counties.

Final Step

Tier I, II, and III counties (counties with the 50 highest factors) are designated as eligible for the Industrial Development Fund Incentive.

DISTRESSED COUNTIES RANKING FOR DECEMBER, 1996
USING 1990 AND [illegible] POPULATION

EXHIBIT I R-17

COUNTY	POPULATION GROWTH 1990-1995	POPULATION GROWTH 1990-1995 RANK	PER CAPITA INCOME 1994	PER CAPITA INCOME RANK	UNEMPLOY-MENT RATE	UNEMPLOY-MENT RATE RANK	DISTRESSED COUNTY SUM 1995-1996	*** 1997 DISTRESSED COUNTY RANK 1995-1996	DISTRESSED COUNTY RANK 1994-1995	*** 1997 TIER AREA	1995 AVERAGE WEEKLY WAGE	WAGE STAN. 110%
SWAIN	2.66%	82	$12,716	97	17.40%	100	279	1	2	1	279.90	307.89
RICHMOND	1.99%	87	$14,966	90	10.15%	98	275	2	4	1	351.46	386.61
GRAHAM	3.75%	71	$12,579	99	13.06%	99	269	3	4	1	320.21	352.23
NORTHAMPTON	-0.35%	96	$15,284	82	7.41%	82	260	4	3	1	356.62	392.28
HALIFAX	3.52%	73	$15,016	89	9.41%	92	254	5	14	1	363.81	400.19
WARREN	5.05%	60	$12,591	98	10.03%	96	254	5	10	1	305.88	336.47
EDGECOMBE	0.21%	94	$16,280	63	9.87%	95	252	7	15	1	404.38	444.82
ALLEGHANY	0.29%	93	$15,881	72	8.01%	85	250	8	26	1	314.58	346.04
ANSON	1.51%	90	$15,897	71	8.33%	87	248	9	11	1	377.00	414.70
HERTFORD	-0.24%	95	$14,098	94	5.64%	59	248	9	9	1	335.92	369.51
HYDE	-3.70%	100	$16,646	56	9.26%	91	247	11	6	2	240.58	264.64
BERTIE	1.23%	91	$15,330	81	6.84%	74	246	12	8	2	307.79	338.57
TYRRELL	-1.14%	97	$16,825	51	10.05%	97	245	13	1	2	248.48	273.33
MITCHELL	2.81%	80	$15,271	84	6.88%	75	239	14	7	2	367.87	404.66
WASHINGTON	-1.65%	99	$16,853	50	9.06%	90	239	14	11	2	299.02	328.92
ROBESON	5.53%	54	$14,644	91	9.49%	93	238	16	17	2	357.75	393.53
MONTGOMERY	2.04%	86	$16,098	67	7.01%	78	231	17	16	2	347.54	382.29
ASHE	3.53%	72	$16,258	64	9.64%	94	230	18	31	2	330.54	363.59
BEAUFORT	2.48%	84	$16,699	54	8.98%	89	227	19	20	2	385.31	423.84
VANCE	2.95%	78	$16,332	61	8.29%	86	225	20	22	2	366.25	402.88
SCOTLAND	2.83%	79	$16,158	65	7.02%	79	223	21	22	2	434.40	477.84
MARTIN	3.05%	77	$16,374	60	7.87%	83	220	22	37	2	460.94	507.03
ONSLOW	-1.29%	98	$13,548	95	3.75%	25	218	23	18	2	290.46	319.51
BLADEN	3.93%	67	$15,851	73	6.97%	77	217	24	11	2	344.90	379.39
YANCEY	4.70%	62	$14,546	92	5.77%	60	214	25	18	2	340.46	374.51
COLUMBUS	3.39%	74	$16,528	57	7.13%	80	211	26	24	3	404.40	444.84
MCDOWELL	4.38%	65	$15,615	77	6.24%	68	210	27	28	3	390.87	429.96
CHEROKEE	8.20%	32	$13,435	96	7.19%	81	209	28	26	3	332.63	365.89
PERQUIMANS	1.94%	88	$15,827	74	4.76%	39	201	29	20	3	251.50	276.65
RUTHERFORD	3.80%	70	$16,491	58	6.75%	72	200	30	45	3	402.87	443.16
CLAY	8.06%	33	$14,248	93	6.72%	71	197	31	35	3	306.15	336.77
MADISON	4.87%	61	$15,140	86	5.03%	47	194	32	39	3	349.81	384.79
PAMLICO	4.41%	64	$15,807	75	5.20%	51	190	33	25	3	272.46	299.71
STANLY	3.90%	68	$16,799	52	6.54%	70	190	33	39	3	392.27	431.50
CASWELL	3.28%	75	$15,084	88	3.80%	26	189	35	33	3	346.67	381.34
WILSON	2.69%	81	$19,454	20	8.77%	88	189	35	30	3	419.02	460.92
AVERY	2.15%	85	$17,490	40	5.92%	62	187	37	28	3	312.85	344.14
JACKSON	7.27%	39	$15,253	85	6.06%	63	187	37	42	3	324.69	357.16
CHOWAN	3.89%	69	$16,931	49	6.17%	66	184	39	32	3	363.73	400.10
LENOIR	3.16%	76	$18,036	30	6.77%	73	179	40	35	3	400.42	440.46

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DISTRESSED COUNTIES RANKING FOR DECEMBER, 1996
USING 1990 AND 1995 POPULATION

COUNTY	POPULATION GROWTH 1990-1995	POPULATION GROWTH 1990-1995 RANK	PER CAPITA INCOME 1994	PER CAPITA INCOME RANK	UNEMPLOY-MENT RATE	UNEMPLOY-MENT RATE RANK	DISTRESSED COUNTY SUM 1995-1996	1997 DISTRESSED COUNTY RANK 1995-1996	DISTRESSED COUNTY RANK 1994-1995	1997 TIER AREA	1995 AVERAGE WEEKLY WAGE	WAGE STAN. 110%
WAYNE	6.07%	53	$15,777	76	5.19%	50	179	40	43	3	370.79	407.87
CLEVELAND	5.22%	58	$17,282	43	6.89%	76	177	42	51	3	436.75	480.43
HOKE	19.59%	3	$11,938	100	6.21%	67	170	43	34	3	355.08	390.59
PASQUOTANK	6.36%	51	$16,108	66	5.20%	52	169	44	51	3	333.56	366.92
BRUNSWICK	19.13%	4	$15,516	78	7.89%	84	166	45	38	3	420.90	462.99
WILKES	4.48%	63	$17,139	44	5.56%	57	164	46	54	3	383.38	421.72
GASTON	1.91%	89	$18,524	25	5.01%	45	159	47	58	3	446.29	490.92
ROCKINGHAM	2.64%	83	$17,785	36	4.75%	38	157	48	39	3	427.35	470.09
CAMDEN	6.98%	42	$15,279	83	4.01%	30	155	49	44	3	298.02	327.82
HAYWOOD	6.40%	50	$16,973	48	5.54%	56	154	50	46	3	425.23	467.75
PERSON	6.49%	48	$17,446	41	6.06%	64	153	51	49	4	412.15	453.37
JONES	0.93%	92	$19,509	19	4.92%	41	152	52	49	4	319.60	351.56
CRAVEN	5.15%	59	$17,825	35	5.04%	48	142	53	48	4	389.71	428.68
GATES	5.30%	56	$16,002	69	3.38%	17	142	53	47	4	306.31	336.94
GRANVILLE	7.27%	38	$15,959	70	4.31%	33	141	55	55	4	415.88	457.47
CALDWELL	4.27%	66	$17,671	37	4.36%	34	137	56	63	4	379.38	417.32
SURRY	5.46%	55	$18,241	28	5.48%	54	137	56	66	4	359.21	395.13
CUMBERLAND	7.02%	41	$16,785	53	4.92%	42	136	58	58	4	393.67	433.04
PENDER	20.16%	2	$15,497	79	5.49%	55	136	58	53	4	306.23	336.85
DUPLIN	6.94%	43	$18,299	27	5.57%	58	128	60	56	4	354.42	389.86
SAMPSON	6.82%	44	$19,977	15	6.25%	69	128	60	64	4	367.04	403.74
HARNETT	13.46%	10	$15,106	87	3.91%	28	125	62	60	4	361.13	397.24
BURKE	7.53%	36	$17,338	42	4.99%	44	122	63	70	4	395.17	434.69
GREENE	9.17%	28	$16,465	59	4.28%	32	119	64	62	4	306.79	337.47
CARTERET	9.63%	24	$17,128	45	5.05%	49	118	65	57	4	290.31	319.34
FRANKLIN	14.38%	9	$15,437	80	3.88%	27	116	66	61	4	393.37	432.71
WATAUGA	8.61%	29	$16,083	68	3.37%	16	113	67	67	4	331.23	364.35
NASH	9.51%	26	$19,042	22	5.91%	61	109	68	72	4	441.77	485.95
MACON	11.85%	15	$16,303	62	4.22%	31	108	69	64	4	342.27	376.50
LINCOLN	10.48%	20	$17,860	34	5.31%	53	107	70	78	4	412.60	453.86
TRANSYLVANIA	6.46%	49	$18,021	31	3.58%	21	101	71	71	4	470.27	517.30
DARE	13.24%	11	$18,565	23	6.14%	65	99	72	69	4	298.17	327.99
ROWAN	7.48%	37	$17,608	38	3.73%	24	99	72	72	4	438.63	482.49
PITT	8.24%	31	$18,535	24	4.93%	43	98	74	68	4	397.08	436.79
ALEXANDER	9.53%	25	$17,074	47	3.58%	20	92	75	77	4	379.29	417.22
CATAWBA	6.61%	46	$21,710	10	4.38%	35	91	76	75	5	435.81	479.39
DAVIE	6.73%	45	$22,398	9	4.47%	37	91	76	92	5	392.69	431.96
YADKIN	10.44%	21	$17,507	39	3.99%	29	89	78	80	5	389.44	428.38
ALAMANCE	6.54%	47	$19,585	18	3.60%	22	87	79	74	5	418.25	460.08
DAVIDSON	7.84%	35	$17,886	33	3.30%	14	82	80	85	5	419.44	461.38

DISTRESSED COUNTIES RANKING FOR DECEMBER, 1996
USING 1990 AND 1995 POPULATION

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COUNTY	POPULATION GROWTH 1990-1995	POPULATION GROWTH 1990-1995 RANK	PER CAPITA INCOME 1994	PER CAPITA INCOME RANK	UNEMPLOY-MENT RATE	UNEMPLOY-MENT RATE RANK	DISTRESSED COUNTY SUM 1995-1996	1997 DISTRESSED COUNTY RANK 1995-1996	DISTRESSED COUNTY RANK 1994-1995	1997 TIER AREA	1995 AVERAGE WEEKLY WAGE	WAGE STAN. 110%
LEE	11.23%	18	$20,704	12	5.02%	46	76	81	83	5	422.04	464.24
STOKES	10.34%	22	$17,085	46	2.98%	8	76	81	81	5	368.48	405.33
CURRITUCK	15.16%	8	$16,672	55	3.27%	12	75	83	81	5	293.94	323.33
RANDOLPH	8.45%	30	$18,210	29	3.33%	15	74	84	86	5	388.17	426.99
FORSYTH	5.28%	57	$24,567	3	3.27%	11	71	85	79	5	533.21	586.53
BUNCOMBE-	7.99%	34	$20,202	14	3.47%	19	67	86	84	5	432.33	475.56
DURHAM	6.08%	52	$22,419	8	2.88%	7	67	86	87	5	658.98	724.88
NEW HANOVER	16.04%	7	$19,887	16	4.88%	40	63	88	76	5	428.83	471.71
GUILFORD	7.10%	40	$23,717	4	3.41%	18	62	89	88	5	504.12	554.53
IREDELL	11.33%	17	$19,245	21	3.70%	23	61	90	89	5	437.58	481.34
MOORE	12.98%	12	$22,719	7	4.46%	36	55	91	93	5	399.42	439.36
CABARRUS	11.53%	16	$19,868	17	3.28%	13	46	92	89	5	445.65	490.22
HENDERSON	9.99%	23	$20,332	13	3.12%	10	46	92	91	5	444.42	488.86
UNION	16.60%	6	$17,951	32	2.50%	3	41	94	94	5	432.79	476.07
JOHNSTON	17.35%	5	$18,415	26	2.84%	6	37	95	94	5	375.23	412.75
POLK	9.21%	27	$23,265	5	2.74%	5	37	95	96	5	343.23	377.55
CHATHAM	10.72%	19	$20,721	11	2.64%	4	34	97	97	5	404.19	444.61
MECKLENBURG	12.90%	13	$25,993	1	2.98%	9	23	98	98	5	595.02	654.52
ORANGE	12.75%	14	$23,108	6	1.79%	1	21	99	99	5	421.69	463.86
WAKE	21.57%	1	$24,841	2	2.24%	2	5	100	100	5	494.63	544.09

NOTES:

1. Population growth was determined using years 1990 and 1995 as reported on LINC.
2. Per Capita Income is 1994 as reported on LINC.
3. The Unemployment Rate is the average rate from July 1995 to June 1996, not seasonally adjusted, provided by the Labor Market Information Division of the Employment Security Commission.

96-DATA.XLS

HOUSE NER COMMITTEE REVIEW
RURAL ECONOMIC DEVELOPMENT CENTER

Governor's Recommended Continuation Budget Adjustments (Summary Volume)

	1997-98	1998-99

1) There were no recommended adjustments by the Governor.

Committee Discussion Issues

1) The Committee may wish to discuss the benefits of recurring versus nonrecurring funding for the economic development programs administered by the Rural Center (a copy of grant programs proposed in the Continuation Budget is attached).

2) Both the Rural Center and The North Carolina Community Development Initiative, Inc. ("the Initiative") operate grant programs for community development corporations (CDCs) to develop and improve neighborhoods and communities in minority, rural and low-income areas. The Initiative currently receives $1.8 million in recurring funds for this purpose.

   Given the fact that the Governor's Recommended Continuation Budget for the 1997-99 biennium now includes recurring funding for the Rural Center's activities on behalf of CDCs, the Committee may wish to consider the merits of recurring funding for both the Initiative and the Rural Center for their work with CDCs.

HOUSE NER COMMITTEE REVIEW
RURAL ECONOMIC DEVELOPMENT CENTER

3) The 1996 General Assembly allocated grants-in-aid through the Department of Commerce to various non-profits that work on behalf of rural, low-income and minority interests (Land Loss Prevention Project, Institute for Minority Economic Development, Coalition of Farm and Rural Families, N.C. Minority Support Center). Given that the N.C. Community Development Initiative is a private non-profit, the Committee may wish to consider appropriating funds to the Initiative directly through the Department of Commerce in the same manner as other non-profits.

RURAL ECONOMIC DEVELOPMENT CENTER
GRANT PROGRAMS

IR-29

Activity	1995-96	1996-97	Recommended 1997-99
1. Research and Demonstration Grants	$475,864 R	$475,864 R	$475,864 R
2. Grants to CDCs that have previously received state funds	$900,000 NR	$900,000 NR	$900,000 R
3. Grants to new and emerging CDCs	$250,000 NR	$250,000 NR	$250,000 R
4. North Carolina Association of CDCs (Senate funded at 200,000 NR)	$150,000 NR	$150,000 NR	$150,000 R
5. Rural Center administration for CDC grants	$ 50,000 NR	$ 50,000 NR	$ 50,000 R
6. Microenterprise Loan Program	$250,000 NR	$250,000 NR	$250,000 R
7. Supplemental Grants Program (Senate funded an additional *2.4 million NR)	$400,000 NR	$950,000 NR	$950,000 R
8. Opportunities Industrialization Centers	$100,000 NR	$150,000 NR	$250,000 R
	$100,000 R	$100,000 R	
1. North Carolina Community Development Initiative, Inc. (Senate funded an additional 200,000 R)	$1,800,000 R	$1,800,000 R	$1,800,000 R
2. North Carolina Minority Support Center	$275,000 NR	*	*
3. Land Loss Prevention Project	$275,000 NR	*	*
4. Coalition of Farm and Rural Families	$245,000 NR	*	*
5. North Carolina Institute for Minority Economic Development	$780,000 NR	*	*
6. Lake Gaston Economic Development Corporation	$100,000 NR		
7. Sheltered Workshop at Roanoke/Chowan Community College	$ 25,000 NR		
TOTAL	**$6,175,864**	**$5,075,864**	**$5,075,864**

**** denotes items funded through the Department of Commerce and included in the Department's Recommended Continuation Budget***

Fiscal Research Division May 1997

HOUSE NER COMMITTEE REVIEW
DEPARTMENT OF LABOR

Governor's Recommended Continuation Budget Adjustments (Summary Volume)

	1997-98	1998-99

1) There were no recommended adjustments by the Governor.

Committee Discussion Issues

1) The Committee placed a flag on the Department's Private Personnel Services Bureau and requested follow-up information on the activities, performance, and purpose of this function.

Private Personnel Service Bureau

			Current Fiscal Year	Governor's Continuation Request			
	1994-95 Actual	1995-96 Actual	1996-97 Authorized December 1996	1997-98 Recommended	%Δ	1998-99 Recommended	%Δ
Expenditures	131,636	129,970	136,544	132,483	-3.0%	132,701	-2.8%
Less Receipts	-	-	-	-	-	-	-
State Appropriations	*131,636*	*129,970*	*136,544*	*132,483*	-3.0%	*132,701*	-2.8%
Positions	3.00	3.00	3.00	3.00		3.00	

NC Department of Labor
Private Personnel Service Bureau (PPS Bureau)

Fact Sheet

- Purpose of Regulating the Private Employment Service Industry
  – protect a citizen who may be vulnerable because out of work
  – work to ensure all N.C. employment businesses have a level playing field

- Regulation of private employment services presumes
  – all private employment services must be licensed
  UNLESS
  – the company registers certifying that it does not have the right to collect a fee from a job seeker under any circumstance, either directly or indirectly

- Private Personnel Service laws require that
  – any fee that is due from a job seeker may be collected only after the service is provided
  UNLESS
  – the company is a licensed job listing service (which may only sell a narrow range of services)

- History of Private Personnel Service regulation in N.C.
  – law first enacted in 1929
    > one type of licensure, required of all private employment services in operation
    > to prevent unscrupulous placement companies from doing business here
    > in 1979, there were 236 private employment services licensed
    > 1978 survey results
      >> number of agencies responding 163
      >> number of placements made 9411

  – law rewritten in 1979
    > a private employment service must get regulatory license from the PPS Bureau if they want to be able to accept fees from job seekers
    > any business that doesn't want to be able to charge a fee to a job seeker must register with the PPS Bureau, i.e., temporary, temp-to-hire, and employer-fee-paid services
    > allows job listing services (if licensed)
    > trend in the private employment service business sector has been toward not wanting to be able to charge a job seeker a fee

- 1996 Numbers of Private Employment Services

	# of services	approx. # of citizens affected
– have regulatory License		
>> Private Personnel Services	75	15,000
>> Job Listing Services	2	2,000
– must register (do not have regulatory license)	575	172,500*

  >> Employer-fee-paid, Temporary-to-hire, and Temporary Services
  >> PPS Bureau's responsibility to these citizens is to ensure they are not charged a fee for help in finding work

* (estimate 300 people per service)

State of North Carolina
Department of Labor
1 W. Edenton Street
Raleigh 27611

JOHN C. BROOKS
COMMISSIONER

January 24, 1979

PRIVATE EMPLOYMENT AGENCY 1978 DATA FORM RESULTS

DATA FORMS RECEIVED TO DATE-- 162

Agencies out of business or having no placments in 1978: 10

GENERAL AGENCIES

				2/23/79:
Total Number of Placements Made in 1978:	6160	Responses	82	6612 - 85
Total Number of Fee Paid Placements :	2701	Responses	82	2969 - 85
Total Number of Applicant Paid Placements:	3909	Responses	82	4087 - 85
Total Number of Contracts Signed:	60492	Responses	81	62140 - 84
Average Employer Paid Placement Fee:	$1217	Responses	73	
Average Applicant Paid Placement Fee:	$ 562	Responses	68	
Total Salaries of People Placed Through Employer Paid Placements:	$27,517,915	Responses	68	
Total Salaries of People Placed Through Applicant Paid Placements:	$25,294,761	Responses	68	

Average APF salary $7,243 (based on 3492 placements)
Average EPF salary $10,976 (based on 2507 placements)

Employer Paid Agencies (Separate data from above) Only

Total Number of Placements:	3251	Responses	68	3449 - 70
Average Employer Paid Fee:	$ 3,197	Responses	61	
Total Salaries of People Placed:	$ 40,690,817	Responses	64	

Average salary $14,378 (based on 2830 placements by agencies that listed salaries)

Split Fee Placements -Information received although no question concerning this was asked

Total Number of Split Fee Placements:	33	Responses	7
Average fee:	$763	Responses	3
Total Salaries:	$ 206,212	Responses	5

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HOUSE NER COMMITTEE REVIEW
DEPARTMENT OF LABOR

R-26

2) The Committee placed a flag on the following issue concerning the inclusion of the "OSHA POSITIONS" special provision for the 1997-99 biennial budget.

Section 27.1 of Chapter 324 of the 1995 Session Laws (i.e. the 1995 Continuation Budget Bill) reads as follows:

OSHA POSITIONS

Sec. 27.1 (a) The Department of Labor may use funds appropriated to the Department of Labor for the Occupational Safety and Health Act of North Carolina (OSHANC) program to fully fund enforcement personnel in the Compliance Bureau of the OSHANC program, provided the Department of Labor certifies to the Office of State Budget and Management that no federal match is available for the 1995-96 fiscal year and for the 1996-97 fiscal year.

(b) If federal Occupational Safety and Health Administration funds are granted to match all or part of the funds for enforcement positions and support that are one hundred (100%) State-funded, then State funds equivalent to the federal match shall revert to the General Fund at the end of the fiscal year for which the federal match was received.

Since FY 1989-90, the budget has contained the "OSHA Positions[1]" special provision (shown above). The provision allows the Department of Labor to fund OSHA enforcement positions with 100% state appropriated funds if the Department certifies to the Office of State Budget and Management that no federal receipts are available to offset the State's cost of funding enforcement positions. However, the provision also requires that if federal receipts are available for funding enforcement positions, then the Department must revert to the General Fund the amount federal receipts used to supplant state funds.

The state currently provides funding for state OSHA safety and health inspectors by two methods[2]: first, 57 enforcement positions are funded with 50% state appropriated funds and 50% federal funds. For example, a position whose salary and benefits total $40,000 per year would be funded with $20,000 in state funds and $20,000 in federal funds. The second method funds 77 additional enforcement positions with 100% state funds. That is, all salary and benefits costs are borne by the state.

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[1] Subsection (b) was added to the special provision beginning with the FY 1994-94 budget.

[2] Position counts exclude legal, consultative, education related, and administrative personnel. Source: Personnel Schedule, Office of State Budget and Management, dated 11/13/96, as submitted to the Fiscal Research Division.

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HOUSE NER COMMITTEE REVIEW
DEPARTMENT OF LABOR

The Department of Labor has disclosed that the OSHNC Division expects an increase of $790,600 in federal receipts for FY 1997-98. This increase is a discretionary grant that can be utilized for OSHA related activities including enforcement, consultative services, education, legislative increases, etc. The Department has noted that $84,600 of this grant will be needed for cost of living adjustments to annualize the FY 1996-97 legislative increase. The remaining balance, $706,000 will be available for other OSHNC Division programs.

If the General Assembly chooses to continue the existing "OSHA Positions" special provision in the next budget cycle, then the expected increase in federal receipts will be used to reduce the amount of state appropriations funding enforcement personnel. The result would shift approximately 22 enforcement officers from 100% state funding to 50% state funding and 50% federal receipt support.

The Department of Labor has stated that it wants to use the increase in federal receipts ($706,000) to provide additional safety and health consultants (Consultative Services program) to provide on-site compliance assistance to private and public employers. In addition, the Department would increase the Education, Training, and Technical Assistance program which provides training seminars on how to comply with OSHA regulations.

Therefore, the Committee may wish to discuss the following option(s):

Option 1

Include the "OSHA Positions" Special Provision.

Fiscal Impact: Revert $706,000 in state appropriations to the General Fund by supplanting an equal amount of federal receipts.

Issue: Increase amount and percentage of federal receipts used to support enforcement of federal and state workplace safety and health laws.

Option 2

Do not include the "OSHA Positions" Special Provision.

Fiscal Impact: Expand the OSH Division budget by $706,000 in federal receipts to provide additional OSH consultants and trainers to the regulated community.

Issue: Expand existing services that provide on-site technical assistance and education seminars to employers, especially small private and public employers, who seek or may be identified as needing assistance to comply with workplace safety and health laws.

Senate reduced budget by # 192,546

Proposed distribution of additional funds for FY 97 granted pursuant to 23(g) grant

(Note: total is $790,600 less the cost of living amount of $84,600)

Positions (figures include salary and fringe benefits):

Consultative Services Bureau:

6	Safety consultants, grade 73	$ 258,000
1	Safety consultant supervisor, grade 74	45,000

Education, Training, and Technical Assistance Bureau:

4	Education and Training specialists, grade 72	160,000
1	Safety standards officer, grade 73	43,000
1	Standards supervisor, grade 75	48,000

Management Information and Evaluation Bureau:

1	Computer training specialist, grade 70	37,000
	Total salaries	591,000

Operating costs

travel	57,000	
telephone	12,000	
postage	7,000	
supplies	14,000	
equipment	11,000	
furniture	14,000	
	Total operating	113,000

(Note: This budget does not include computer purchases, which we would intend to acquire through a one-time federal grant.)

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5/5 30

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Natural and Economic Resources May 6, 1997
Name of Committee Date 3 pm

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Adam Searing	NCHAC
Lori Ann Harris	Seaford Halshauser
Pat Beckwith	Public Health Communication
Leonard Co	NCMSC
Kent Wiggins	DWQ/WRP
HARCAN BRITT	DWQ
Cathey Cottle	DWQ
Dary Hunt	DPPEA
Shawn Johnson	DPPEA
Brenda Ramsey	NCARDC
Linda Grum	EDC
Jeff B. Hall	Nature Ctr
Joe McCle	TDA
[illegible]	TDA
Brian Crawford	NCCDI
David Simmons	ZDA, PA
R. Lois Artis-Murray	DEHNR
Jane Smith	DEHNR
Matthew Eastwood	DPPEA
Ralph McKnelly	DEHNR/DPR
Lacy Maddox	Labor
Becky Brown	Labor
Dana Cope	Labor

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

Administration, Reserves and Special Funds, Department-Wide Reductions

Governor's Recommended Continuation Budget Adjustments (Summary Volume)

	FY 1997-98	FY 1998-99
1) **Multi-County Water Conservation and Infrastructure District** – Nonrecurring funds appropriated for the district by the 1995 General Assembly were not eliminated from the 1997-99 continuation budget by error. (Senate accepted)	(500,000)	(500,000)
2) **Salary Reductions/Span of Control** – The Department's allocated share of this reduction. (Senate accepted)	(2,335,425)	(2,335,425)

R-29a.

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

SPAN REDUCTIONS

Division	Fund Number	Position Number	Classification	FTE	Pay Grade	Other	Salary	S.S.	Retirement	Hospital.	Total	Status	Supervisor Non-Sup.(
Administration													
Controller	1140		Accounting Clerk IV	1	59		$21,780	$1,666	$2,359	$1,736	$27,541	V	N
Gen. Svcs.	1140		Printing Equipt. Operator II	1	57		$20,109	$1,538	$2,178	$1,736	$25,561	V	N
ITS	1140		Computing Consultant III	1	72		$32,016	$2,449	$3,467	$1,736	$39,669	V	N
Personnel	1140		Personnel Supervisor I	1	76		$38,226	$2,924	$4,140	$1,736	$47,026	F	S
			Total Administration	**4.00**			**$112,131**	**$8,578**	**$12,144**	**$6,944**	**$139,797**		
Health													
Comm.	1425		PH Education Prod. Coord.	1	70T		$36,837	$2,818	$3,989	$1,736	$45,380	F	N
Local Hlth.	1410		Adm. Officer III	1	72		$25,208	$1,928	$2,730	$1,736	$31,602	F	S
Env. Hlth.	1490		Word Processor III	1	57		$19,033	$1,456	$2,061	$1,736	$24,286	F	N
Dental	1435		Dentist I	1	82		$80,553	$6,162	$8,724	$1,736	$97,175	V	S
State Ctr.	1160		Data Entry Spec.	1	58		$21,055	$1,611	$2,280	$1,736	$26,682	F	N
MCH	1510		PH Soc. Work Consultant	1	70		$30,895	$2,363	$3,346	$1,736	$38,340	V	N
	1535		PH Nurse Consultant II	1	75		$43,890	$3,358	$4,753	$1,736	$53,737	F	N
	1510		PH Nurse Consultant II	1	75		$42,124	$3,222	$4,562	$1,736	$51,645	F	N
	1540		Nutrition Prog. Consultant	1	74		$54,145	$4,142	$5,864	$1,736	$65,887	F	N
	1540		Nutrition Prog. Consultant	1	74		$41,657	$3,187	$4,511	$1,736	$51,091	F	N
	1520		PH Prog. Supv. II	1	72		$54,947	$4,203	$5,951	$1,736	$66,837	F	S
	1570		PH Prog. Consultant I	1	75		$29,845	$2,283	$3,232	$1,736	$37,096	F	N
	1530	Care Funds	Cystic Fibrosis Purchase of Care			$148,699					$148,699		
Hlth. Prom.	1555		PH Prog. Mgr. I	1	75		$45,613	$3,489	$4,940	$1,736	$55,778	F	S
	1550		PH Nurs. Consult. II	1	75		$43,651	$3,339	$4,727	$1,736	$53,454	F	N
	1550		*Office Assistant III	1	57		$22,893	$1,751	$2,479	$1,736	$28,860	F	N
			Total - Health	**15.00**		**$148,699**	**$592,346**	**$45,314**	**$64,151**	**$26,040**	**$876,551**		

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Div	Fund Number	Position Number	Classification	FTE	Grade	Other	Salary	S.S.	Retirement	Hospital.	Total	Status	Supervisor Non-Sup.(
Natural Resources													
Mar. Fisher	1320	Sal. Res.	(from position # 08372)				$5,355	$410	$580		$6,345		
	1320		(from position # 08372)				$6,344	$485	$687		$7,516		
	1320	Operating	Reduce Oyster Rehab. Program			$133,655					$133,655		
Soil & Wat	1310		Soils Survey Supervisor	1	71		$30,713	$2,350	$3,326	$1,736	$38,125	V	N
	1310	Operating	Equipment, Supplies, Travel			$56,875					$56,875		
Forest Res.	1210	Operating	Communications Equipment			$140,000					$140,000		
	1210		**Assistant County Ranger	0.6	60		$13,521	$1,034	$1,464	$1,042	$17,061	V	N
	1210		**Forest Fire Equipment Operator	0.6	63		$14,502	$1,109	$1,571	$1,042	$18,224	V	N
	1210		**Forestry Technician III	0.65	64		$15,946	$1,220	$1,727	$1,128	$20,021	V	S
	1210		**Forestry Technician I	0.6	60		$12,291	$940	$1,331	$1,042	$15,604	V	N
	1210		**Forestry Technician I	0.6	60		$17,046	$1,304	$1,846	$1,042	$21,238	V	N
	1240		Accounting Clerk IV	1	59		$20,768	$1,589	$2,249	$1,736	$26,342	V	N
	1260		Forestry Technician IV	1	66		$30,517	$2,335	$3,305	$1,736	$37,893	V	S
Env. Ed.	1120	Operating	Project Tomorrow Grants, Contracts			$25,000					$25,000		
Aquariums	1355	Operating	Supplies, Materials			$41,777					$41,777		
Museum	1360	Operating	Temporary Wages			$50,000					$50,000		
Parks	1280&1290	Operating	Increase Receipts			$140,000					$140,000		
Zoo	1305		Tram Asst. Supervisor	0.85	58		$15,289	$994	$1,407	$1,476	$19,166	V	S
	1305		Sales Clerk II	0.4	53		$6,328	$484	$685	$694	$8,192	V	N
	1305		Cook II	0.3	55		$4,826	$369	$523	$521	$6,239	V	N
	1305		Processing Asst. III	1	57		$17,552	$1,343	$1,901	$1,736	$22,532	V	N
	1305		Artist Illustrator	1	64		$22,903	$1,752	$2,480	$1,736	$28,871	V	N
			Total - Natural Resources	**9.60**		**$587,307**	**$233,901**	**$17,718**	**$25,083**	**$16,666**	**$880,675**		

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

SPAN REDUCTIONS

R-29c

Division	Fund Number	Position Number	Classification	FTE	Pay Grade	Other	Salary	S.S.	Retirement	Hospital.	Total	Status	Supervisor Non-Sup.(
Environment													
Air Quality	1770		*Processing Assist. III	1	57		$14,660	$1,121	$1,588	$1,736	$19,105	V	N
DWQ	1635		Chemistry Technician III	1	68		$27,017	$2,067	$2,926	$1,736	$33,746	V	N
	1655		Chemist I	1	72		$32,016	$2,449	$3,467	$1,736	$39,669	F	N
	1655		Artist Illustrator II	1	64		$26,033	$1,992	$2,819	$1,736	$32,580	V	N
	1690	Sal.Res.	(from #31528)		75		$7,124	$545	$772	$1,736	$10,177	V	S
	1695	Sal.Res.	(from #31517)		77		$26,943	$2,061	$2,918	$1,736	$33,658	V	S
	1680	Sal.Res.	(from #31515)		75		$20,302	$1,553	$2,199	$1,736	$25,790	F	S
	1630	Operating	Wetlands Fund			$14,449					$14,449		
Coastal	1625		Community Development Planner I	1	70		$19,693	$1,507	$2,133	$1,736	$25,068	V	N
Land Res.	1740		Environmental Engineer I	1	73		$35,063	$2,682	$3,797	$1,736	$43,279	F	N
	1740	Operating				$12,124					$12,124		
DWR	1620		Environmental Tech III	1	65		$23,831	$1,823	$2,581	$1,736	$29,971	V	N
DPPEA	1615		Environmental Biologist II	1	70		$16,000	$1,224	$1,733	$843	$19,800	V	N
	1615	Operating				$2,332					$2,332		
Rad. Prot.	1755	Contracts				$25,094					$25,094		
Waste Mg	1760		Environmental Supervisor	1	76T		$47,966	$3,669	$5,195	$1,736	$58,566	F	S
	1760	Operating				$12,996					$12,996		
			Total - Environment	**9.00**		**$66,995**	**$296,648**	**$22,694**	**$32,127**	**$19,939**	**$438,403**		

R-29d

SPAN OF CONTROL STATUS

Area	Division	Feb., 97 Average Span	Apr., 97 Average Span	After Reduction Average Span	Feb., 97 Total Number of Levels	April, 97 Total Number of Levels
Natural Resources	Aquariums	2.83	7.29	7.29	6	6
	Environmental Education	4.5	4.5	4.5	5	5
	Forest Resources	3.3	3.98	4.06	10	9
	Marine Fisheries	3.02	3.48	3.48	10	10
	Museum of Natural Sciences	3.63	7.67	7.67	6	6
	Parks & Recreation	3.24	3.48	3.48	9	9
	Soil & Water	3.21	15	14.75	7	5
	Zoo	4.95	6.71	6.66	8	7
	Total	**3.45**	**4.34**	**4.32**		
Health	Director's Office	4.00	4.00	4.20	4	4
	Dental	8.4	8.40	9.33	7	7
	Epidemiology	3.37	6.08	6.08	10	7
	Health Promotion	3.65	3.65	3.70	8	8
	Maternal & Child Health	7.62	7.62	7.63	8	8
	Environmental Health	6.19	6.69	6.65	7	7
	Health Statistics	4.76	5.38	5.35	8	7
	Lab	5.59	5.59	5.59	7	7
	Medical Examiner's Office	2.43	2.63	2.63	7	7
	Total	**5.22**	**6.02**	**5.97**		
Environmental Protection	Air Quality	10.81	10.81	10.81	7	7
	Coastal Management	5.32	4.54	4.46	7	6
	Land Resources	2.57	3.65	3.55	8	7
	Pollution Prevention	5.86	6.00	6.00	5	5
	Radiation Protection	6	6.50	6.50	8	7
	Waste Management	5.55	5.55	5.71	8	8
	Water Quality	5.73	5.73	5.88	8	8
	Water Resources	3.33	6.00	5.80	7	6
	Total	**5.75**	**6.13**	**6.20**		
Administration	Budget, Planning & Analysis	8	8.00	8.00	4	4
	Controller	4.71	4.71	4.64	7	7
	Personnel/Human Resources	3.33	3.80	4.75	6	5
	EEO	1	1.00	1.00	4	4
	Information Technology	4.67	5.33	5.33	6	6
	General Services	4.29	4.29	4.14	6	6
	Secretary's Office	8.11	7.25	7.25	6	6
	Public Affairs	3.5	3.50	3.50	5	5
	Regional Offices		5.62	5.62		5
	Total	**5.07**	**5.16**	**4.87**		
Department Total		**4.53**	**5.27**	**5.24**	**6.75**	**6.42**

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

Committee Discussion Issues

1) The committee requested additional information on the following issue, including organizational charts for the administrative divisions, a reconciliation of the 281 positions in the Governor's recommended continuation budget vs. 330 administrative positions referenced by the department, list of current vacant positions, and a status report of program positions established and operating support appropriated by the General Assembly since the 1993-94 fiscal year

Departmental Administrative Staffing

Executive Office/Regional Offices/Administrative Services					
Summary of Position Changes	**FY 93-94**	**FY 94-95**	**FY 95-96**	**FY 96-97**	**Total**
New Positions	10	1	7	0	18
Abolished Positions	0	1	5	0	6
Positions Transfers					
To Administration From Programs	1	6	1	8	16
From Administration To Programs	7	1	3	0	11

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

Positions Transferred to Administration

Year	Position Title	Transferred From
FY 93-94	Applications Development Analyst	Epidemiology
FY 94-95	Community Development Specialist I	Forestry
FY 94-95	Office Assistant II	Environmental Health
FY 94-95	Public Health Program Manager	Maternal and Child Health
FY 94-95	Office Assistant IV	Health Promotion
FY 94-95	Office Assistant IV	Land Resources
FY 94-95	Radiation Emergency Coordinator	Radiation Protection
FY 95-96	Dentist I	Dental Health
FY 96-97	Zookeeper II	NC Zoo
FY 96-97	Marine Fisheries Technician II	Marine Fisheries
FY 96-97	Hydrogeological Technician II	Water Quality
FY 96-97	Public Health Regional Dentist Supervisor	Dental Health
FY 96-97	Speech and Language Pathologist I	Maternal and Child Health
FY 96-97	Processing Assistant	Water Quality
FY 96-97	Processing Assistant	Museum of Natural Sciences
FY 96-97	Forestry Technician IV	Forestry

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

Positions Transferred from Administration

Year	Position Title	Transferred To
FY 93-94	Accountant I	Epidemiology
FY 93-94	Consulting Engineer	Environmental Management
FY 93-94	Program Development Specialist	Environmental Management
FY 93-94	Administrative Assistant	Environmental Management
FY 93-94	Applications Developer	State Center for Health Statistics
FY 93-94	Public Health Program Consultant	State Center for Health Statistics
FY 93-94	Office Assistant II	State Center for Health Statistics
FY 94-95	Program Assistant I	Epidemiology
FY 95-96	Applications Developer	State Center for Health Statistics
FY 95-96	Applications Programmer	State Center for Health Statistics
FY 95-96	Applications Analyst	State Center for Health Statistics

The committee may wish to have the department:

1. comment on these changes
2. explain the rationale for transferring positions from programs responsible for service delivery to departmental administration
3. discuss the impact of such changes over time on program efforts and service delivery

R-33

2) The committee requested additional information on the following issue, including the department's current salary reserve balance, the number of requests to waive management reserve set aside policy, the number of waivers granted and amounts.

Departmental Policy on Salary Reserve

State agencies generate salary reserve when a position is filled at a salary below the actual amount budgeted for the position. The department changed its policy governing the use of salary reserve funds effective October 1, 1996. The new policy requires 30% of all salary reserve generated within the department to be set aside in a management reserve account. The management reserve may be used to fill critical positions and to implement position reclassifications and in-range salary adjustments for divisions that do not typically generate salary reserve necessary to fund such personnel transactions.

The committee may wish to have the department:

1. comment on the need for this policy change
2. explain how the funds in the management reserve have been allocated
3. discuss the impact on divisions and programs that lose a portion of their salary reserve as a result of this new policy

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

R-34

Natural Resources Divisions

Governor's Recommended Continuation Budget Adjustments (Summary Volume)

Division of Forest Resources	**FY 1997-98**	**FY 1998-99**
1) **Increase Forestry Receipts - Reduce Appropriations** - A reduction in appropriations is recommended by making an adjustment to receipts from counties. The counties share in the cost of the forestry operations with a match of 25% to 40% based on the tax base of the county. (Senate accepted)		
Requirements	----------	----------
Receipts	120,000	120,000
Appropriation	(120,000)	(120,000)
2) **Reductions in Forestry Field Operations Equipment** – A reduction in appropriations is recommended due to an adjustment in the schedule for completion of the statewide radio system. (Senate accepted)	(200,000)	(200,000)

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

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Major Continuation Budget Increases	**FY 1997-98**	**FY 1998-99**
Division of Forest Resources		
1) Increase for equipment replacement (Senate accepted with an additional reduction of 600,000 R)	$2,029,960	$1,705,537
Division of Parks and Recreation		
2) Reserve for Park Operations (Senate accepted with a reduction of $300,000 NR)	$3,566,231	$2,595,989
Museum of Natural Sciences		
3) Reserve for Operations of New Museum (Senate accepted)	$926,431	$1,943,480
Division of Marine Fisheries		
4) Increase for 2 positions, operating and maintenance costs for patrol vessel capital improvement appropriation for the 1996-97 fiscal year. (In 1995 the General Assembly appropriated $300,000 for the replacement of a vessel used for enforcement activities). (Senate accepted and included funding in 1998-99 that was omitted in error)	$97,436	
5) Increase for equipment replacement (Senate accepted)	$298,000	$124,000

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

R-36

Committee Discussion Issues

Division of Marine Fisheries

1) In 1995 the General Assembly appropriated $25,000 for travel and related expenses of the Fisheries Moratorium Steering Committee. Given that the Steering Committee submitted its final report to the Joint Legislative Commission on Seafood and Aquaculture in October 1996, the committee may wish to consider eliminating this funding from the Division's continuation budget.

	FY 1997-98	FY 1998-99
Eliminate funding for Fisheries Moratorium Steering Committee (Senate accepted)	($25,000)	($25,000)

2) The committee requested additional information on the Marine Fisheries Law Enforcement Officer positions and operating support funded in the 1995 session.

	FY 1995-96		FY 1996-97
Additional Marine Fisheries Law Enforcement Positions	$763,892		$763,892
	$500,000	NR	
	7.0		7.0

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

A memo from the department to Fiscal Research dated May 22, 1995 indicates that a portion of the request was dedicated to existing staff, in addition to the salary and operating expenses associated with the new positions requested.

The Worksheet II Expansion Budget Request submitted by the department provides line-item detail for this request. The worksheet indicates a $187,321 reduction in total requirements for this request beginning with the 1997-98 fiscal year, necessitating a general fund appropriation in the continuation budget of $576,571 to maintain support of the additional enforcement officers.

The committee may wish to consider reducing the division's general fund appropriation to reflect reduced equipment needs associated with this request in accordance with the five year fiscal estimate submitted by the department.

	FY 1997-98	FY 1998-99
Reduce equipment budget	($187,321)	($187,321)

(Senate accepted)

R-33

Division of Soil and Water Conservation

3) **Agriculture Cost Share Program**

The Nonpoint Source Pollution Control Program (i.e. the Agriculture Cost Share Program) provides financial incentives and technical assistance to farmers to encourage the installation of best management practices (BMPs) to protect water quality by controlling agricultural nonpoint source pollution. Under the program, the state cost shares with landowners up to 75% of the installation costs for BMPs, up to a maximum of $75,000 per year. The continuation budget includes a total of $8.2 million for this program ($6.9 million for BMPs and $1.3 million for technical assistance).

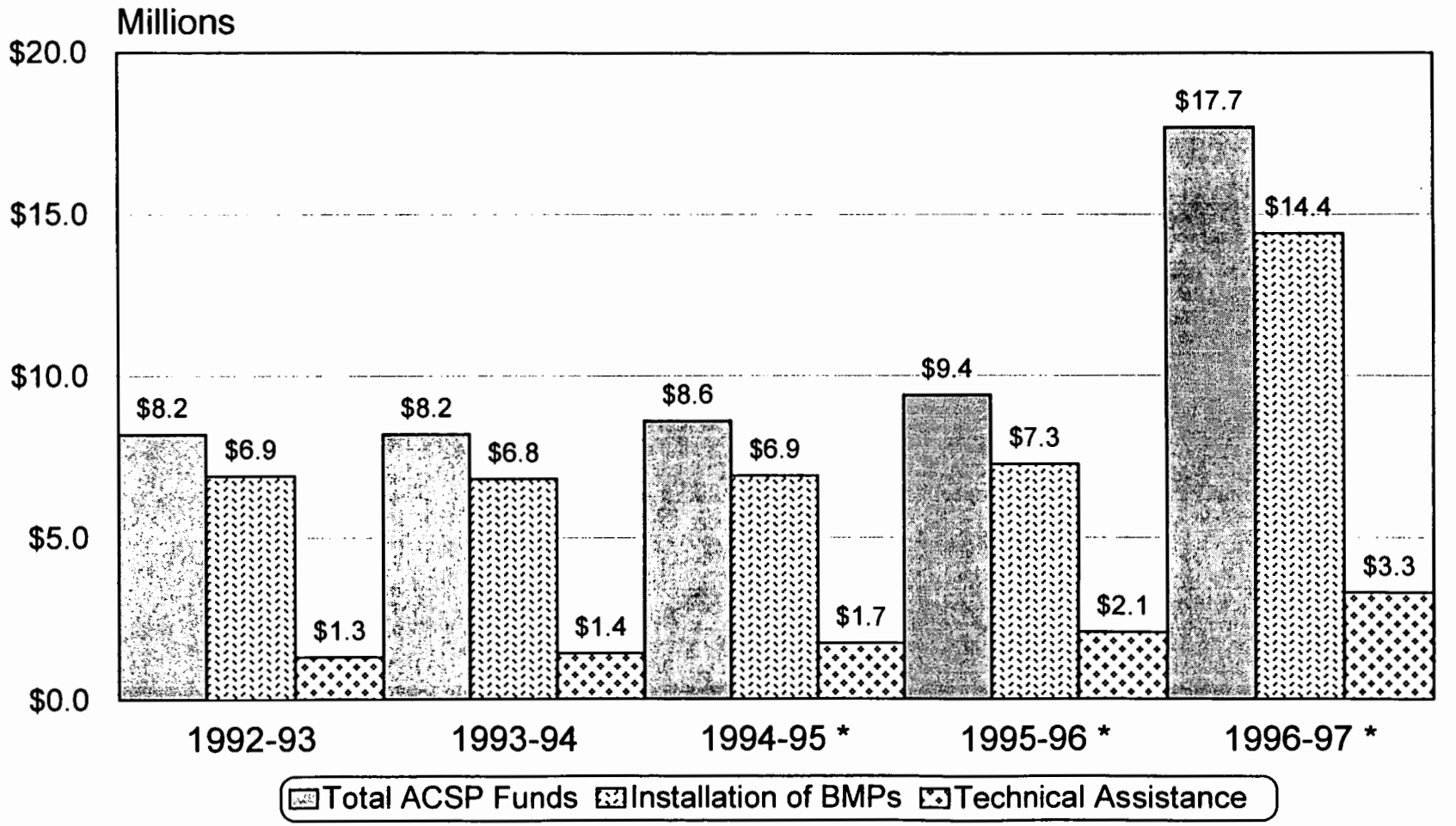
In accordance with G.S. 143-215.74(6)(d) funds appropriated for the Agriculture Cost Share Program do not revert, but remain available for the purposes of the program until expended. As a result of this requirement, the ending cash balances of the Agriculture Cost Share special funds are growing. The committee may wish to have the division explain the allocation of funds and timing of actual expenditures, as well as discuss how the level of continuing appropriations might be adjusted to more accurately reflect required annual expenditures.

Division of Soil and Water Conservation

R-39

Agriculture Cost Share Program

5-Year Funding History



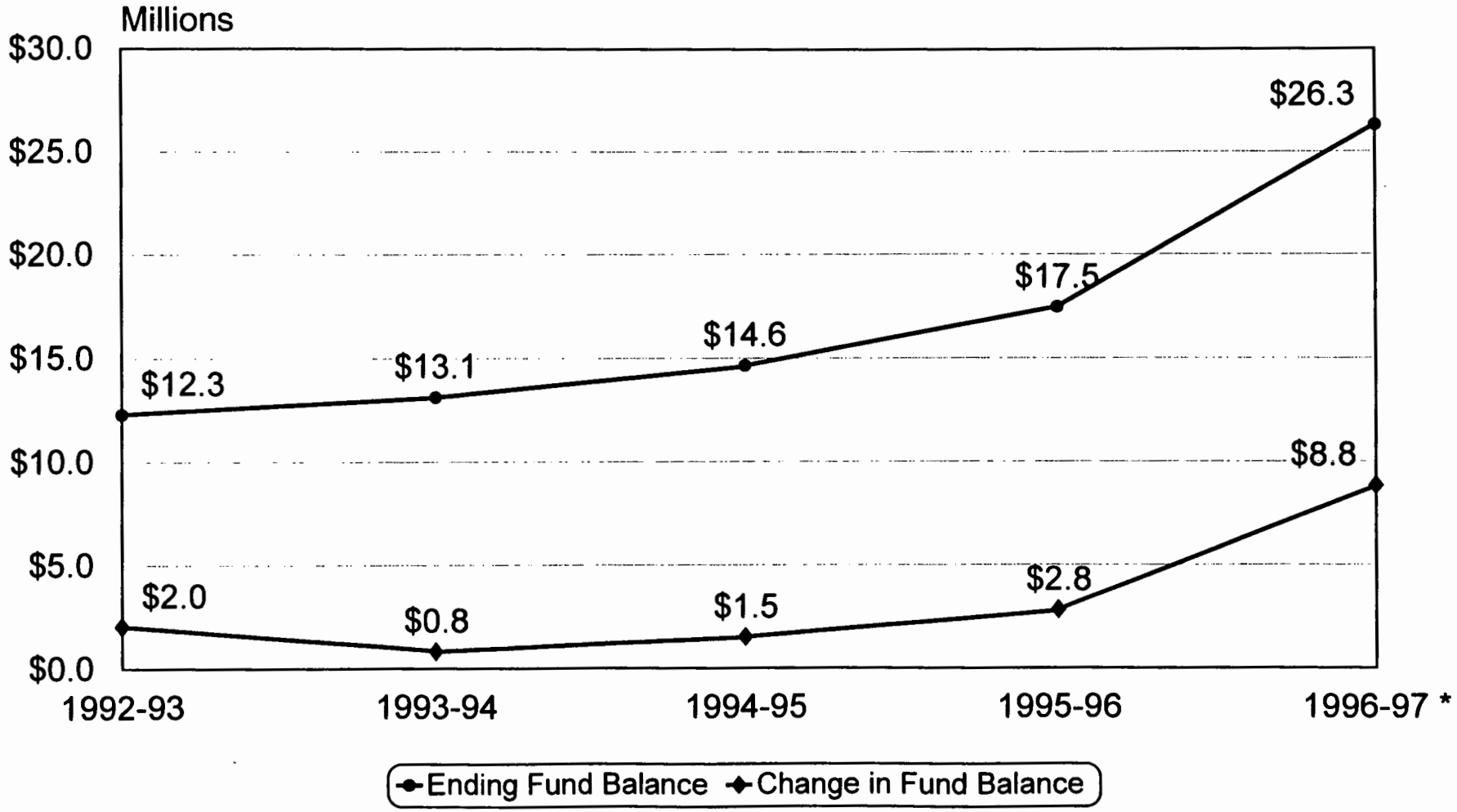
* *Includes positions and support to assist animal operators.*

Fiscal Research Division -- February 1997

Division of Soil and Water Conservation

R-40

Agriculture Cost Share Program Cash Balances



Fiscal Research Division -- February 1997

* Estimated

4) **Funds to Assist Operators with Animal Waste Management Certification Requirements**

The General Assembly appropriated $180,000 for the 1994-95 fiscal year to establish 3 positions and $427,510 for the 1995-96 fiscal year to establish an additional 8 positions to assist agriculture operations in obtaining approved animal waste management plans. The state's "0.200" non-discharge regulations for animal operations require operations to have certified plans by December 1997. Given that the deadline for compliance with these regulations will pass during the upcoming 1997-98 fiscal year, the committee may wish to consider reducing or eliminating the funding for this assistance.

The division does not expect all operations to be in compliance by December 1997. Further the division has disclosed a desire to retain these positions and realign the job duties as the need for assistance with animal waste management systems is reduced. The committee may wish to have the division comment on the anticipated duties and job functions of these positions after December 1997.

R-42

Division of Forest Resources

5) **Forestry Field Operations**

The Governor's recommended continuation budget for forestry field operations includes a net increase of $2,029,960 in FY 1997-98 and $1,705,537 in FY 1998-99 for property, plant and equipment items. The committee reviewed equipment replacement schedules during budget hearings that covered trucks, tractors, airplanes and trailers, ranging in model year from 1953 (airplanes) to 1993. Given that the Division's current authorized budget includes $2,355,538 for property, plant and equipment items, the committee may wish to consider delaying the replacement of vehicles to effectuate a general fund savings this biennium.

Division of Parks and Recreation

6) **State Parks System**

Since 1993, the General Assembly has authorized a number of capital improvements, new acquisitions and facilities to be added to the State Parks System. The Governor's recommended continuation budget for state parks field operations includes an increase of $3,556,231 in FY 1997-98 and $2,595,989 in FY 1998-99 for a reserve to fund the operations of these projects. The committee may wish to consider reducing the appropriation for the reserve, thereby delaying the schedule for bringing new projects on line.

R-43

Museum of Natural Sciences

7) Museum of Natural Sciences Operating Reserve

The Governor's recommended continuation budget includes reserves of $926,431 in FY 1997-98 and $1,943,480 in FY 1998-99. It is anticipated that over the course of the 1997-99 biennium, an additional 36 positions will be added to the Museum's current staff of 67. The Committee may wish to ask the Department to discuss (1) the anticipated total staffing needs for the new museum, (2) the duties and activities of the 27 positions hired over the 1995-97 biennium in anticipation of the opening of the new museum in 1999, and (3) activity profiles of the new positions expected over the upcoming biennium.

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

R-44

Environmental Protection Divisions

Governor's Recommended Continuation Budget Adjustments (Summary Volume)

None

Major Continuation Budget Increases	FY 1997-98	FY 1998-99
Division of Radiation Protection		
1) Increase for equipment replacement (Senate accepted)	$173,500	
Division of Water Quality		
2) Increase to replace vehicles, boats and scientific equipment (Senate accepted)	$382,700	

Committee Discussion Issues

1) **Division of Pollution Prevention and Environmental Assistance**

The committee placed a flag on the Division of Pollution Prevention and Environmental Assistance and requested follow-up information on the division's programs, activities and functions, as well as a list of grant recipients for the current biennium and an analysis of the feasibility of privatizing the division's technical assistance programs.

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

R-45

Department of Environment, Health, and Natural Resources

Division of Pollution Prevention and Environmental Assistance *							
			Current Fiscal Year	Governor's Continuation Request			
	1994-95 Actual	1995-96 Actual	1996-97 Authorized January	1997-98 Recommended	%Δ	1998-99 Recommended	%Δ
Expenditures	1,685,482	1,901,007	2,271,702	2,215,584	-2.5%	2,219,172	-2.3%
Less Receipts	(168,635)	(457,515)	(586,638)	(572,445)	-2.4%	(572,879)	-2.3%
State Appropriations	*1,516,847*	*1,443,492*	*1,685,064*	*1,643,139*	-2.5%	*1,646,293*	-2.3%
Positions	30.00	28.00	36.00	36.00		36.00	

%Δ = Percentage change in budget over/under Current Fiscal Year 1996-97 Authorized budget.

* *formerly the Office of Waste Reduction*

DIVISION PROGRAMS AND ACTIVITIES

- Recycling Business Assistance Center
- Technical Assistance to Communities and Businesses
- Waste Reduction Resource Center
- Administers Solid Waste Management Trust Fund
- Outreach, Education and Training
- Environmental Assistance

R-46

Division of Air Quality

2) **Permit Fees and Fuel Tax Receipts**

The division's programs and activities are supported primarily with permit fees and fuel tax receipts. For the 1994-95 fiscal year, permit fees and fuel tax receipts accounted for $3,556,526 of the $4,024,732 increase in the cash balance of the Air Quality Division's special funds. For the 1995-96 fiscal year, these receipts accounted for $4,873,454 of the $5,054,046 increase in the cash balance. The committee may wish to have the division explain the current and planned use of these receipts, and comment on the growing cash balance.

The committee requested follow-up information on the division's cash balances and the use of receipts, as well as documentation of any state matching requirements and a list of new positions created since 1995.

(Senate took $200,000 R reduction to adjust receipts)

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

R-47

Department of Environment, Health, and Natural Resources

Division of Air Quality *							
			Current Fiscal Year	Governor's Continuation Request			
	1994-95 Actual	1995-96 Actual	1996-97 Authorized January	1997-98 Recommended	%Δ	1998-99 Recommended	%Δ
Expenditures	12,056,010	15,583,613	19,249,276	19,088,407	-0.8%	19,092,640	-0.8%
Less Receipts	(14,165,239)	(19,057,882)	(17,783,052)	(17,876,491)	0.5%	(17,880,097)	0.5%
Cash Balance +/-	4,024,732	5,054,046	-	-		-	
State Appropriations	*1,915,503*	*1,579,777*	*1,466,224*	*1,211,916*	-17.3%	*1,212,543*	-17.3%
Positions	284.00	285.75	278.75	278.75		278.75	

R-48

Division of Water Quality

3) The committee placed a flag on the following issue:

Maintenance of Existing Water Quality Programs

The Governor's recommended expansion budget includes a nonrecurring appropriation for the division *to maintain existing staff to continue water quality programs and activities at their current level*. The division cites a reduction in program receipts from streamlining the permitting process and reductions in federal funds as contributing factors to this operational problem. Although this request is part of the Governor's expansion budget, the committee may wish to have the division comment on the need for these funds since the request is to continue the current level of operations rather than expand activities.

	FY 1997-98	FY 1998-99
Nonrecurring funds to allow the Division of Water Quality continue to carry out current programs and provide current levels of service.	$2,022,887	

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

B-49

Health Divisions

Governor's Recommended Continuation Budget Adjustments (Summary Volume)

None

Major Continuation Budget Increases

	FY 1997-98	FY 1998-99
Division of Laboratory Services		
1) Allowed inflationary increase for scientific supplies. (Senate accepted)	$225,650	$513,203
Division of Medicolegal Examination		
2) Increase to replace outdated medical and laboratory equipment used to provide medical examination services, particularly in assisting law enforcement and criminal justice agencies. (Senate accepted)	$199,900 NR	
Division of Health Promotion		
3) Allowed inflationary adjustment for pharmaceuticals, physician services and inpatient hospitalization. (Senate accepted)	$325,728	$332,128

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

R-50

Committee Discussion Issues

State Center for Health Statistics

1) The committee placed a flag on the State Center for Health Statistics and requested a breakdown of positions by program and follow-up information on program activities and performance.

Department of Environment, Health, and Natural Resources

State Center for Health Statistics *							
			Current Fiscal Year	Governor's Continuation Request			
	1994-95 Actual	1995-96 Actual	1996-97 Authorized January	1997-98 Recommended	%Δ	1998-99 Recommended	%Δ
Expenditures	5,056,273	5,967,859	6,669,216	6,375,854	-4.4%	6,378,103	-4.4%
Less Receipts	(2,154,167)	(2,848,019)	(3,194,537)	(3,027,552)	-5.2%	(3,027,552)	-5.2%
Cash Balance +/-	(26,395)	60,058	-	-		-	
State Appropriations	*2,875,711*	*3,179,898*	*3,474,679*	*3,348,302*	-3.6%	*3,350,551*	-3.6%
Positions	135.80	137.80	134.80	134.80		134.80	

%Δ = Percentage change in budget over/under Current Fiscal Year 1996-97 Authorized budget.

** formerly the State Center for Health and Environmental Statistics*

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

R-51

CENTER ACTIVITIES

The State Center for Health Statistics is responsible for developing, maintaining and disseminating information and statistics on the health status of North Carolinians; evaluating and reporting on the impact of health-related programs and services; assisting state and local agencies in assessing and monitoring health, and administering the state's vital records functions.

Maternal and Child Health

2) The committee placed a flag on the Non-Medicaid Maternity Care Coordination reduction taken in the 1996 Session.

	FY 1996-97
Reduce funds for case management services for women who do not meet Medicaid eligibility requirements.	($170,900)

Division of Laboratory Services

3) The committee requested additional information to justify the inflationary increase in the division's continuation budget for scientific supplies.

	FY 1997-98	FY 1998-99
Allowed inflationary increase for scientific supplies. (Senate accepted)	$225,650	$513,203

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

R-52

Wildlife Resources Commission

Committee Discussion Issues

1) Operating support for the Wildlife Resources Commission comes principally from receipts generated by the sale of hunting and fishing licenses. With regards to legislative salary increases, other state agencies are required to provide this salary increase for federal and receipt supported positions with receipts/other funds collected within the agency. The Wildlife Commission is an example of an exception where legislative salary increases for receipt supported positions (i.e. Wildlife Fund) have, in the past, been supported with general fund sales and use tax revenues. (In accordance with G.S. 105-164.44B, a portion of the proceeds from the sales and use tax on fishing and hunting supplies and equipment is already transferred to the Wildlife Fund quarterly). The Committee may wish to have the Commission explain how this transfer works, and comment on the rationale behind continuing this practice.

(Senate included special provision which allows additional funds to be transferred for legislative salary increases)

RECONCILIATION OF POSITION COUNT

R-53

The position count for Administration used by Mrs. Lois Artis-Murray during the afternoon session of the NER Subcommittee on Appropriations was 330. The Continuation Budget for Funds 1110 - Executive Staff, 1130 - Regional Offices, and 1140 - Administrative Services, contains a total of 281 positions.

The number used by Mrs. Artis-Murray included positions that are numbered in the administrative series of the personnel numbering system for the Department, but are not a part of Funds 1110, 1130, 1140. The positions that should have been excluded are:

Beginning position count:		330
Fund 1160	1	
Fund 1410	15	
Fund 1430	3	
Fund 1555	1	
Fund 1425	10	
Fund 1120	10	
Fund 1460	.5	
Fund 1450	.5	
Subtotal - Inappropriately counted		41
Position Count in Funds 1110, 1130, & 1140		289

The Continuation budget reflects a position count of 281. Eight positions have been transferred to Administrative Services to improve the financial management of the Controller's office and to improve the ability of the Department to provide technical support to the information systems of the various programs since the development of the Continuation budget.

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

NEW POSITIONS - SFY 94 - SFY 97

R-53a

Division	Number of Positions	Status	Explanation
1993-94			
Solid Waste	10	All filled, all in original program	
Epidemiology	10	One vacant, one abolished All in original program	
Off. of Waste Red.	10	One vacant, two abolished All in original program	
Administration	1	Filled	Cancer Advisory Staff now in Health Promotion
Soil & Water	3	Two abolished, remaining one in original program	
Forest Resources	2	Both filled, both in original program	
MCH	6	All filled, 3 abolished, all in original program	
Env. Health	1	Filled, position in original program	
Water Resources	6	All filled, all in original program	
Statistics	1	abolished	
Dental Health	2	All filled, all in original program	
Parks & Rec.	27	All filled, all in original program	
Total	79		
1994-95			
MCH	13	Three vacant, all in original program	
Minority Health	1	Filled	Minority Health is now a part of Local Health Service
Epidemiology	1	Vacant, in original program	
Rad. Prot.	6	All filled, all in original program	
DEM	12	Four vacant, all in original program	
Forest Resources	3	All filled, all in original program	
Soil & Water	6	Two abolished, one vacant, all in original program	
Marine Fisheries	19	One vacant, 18 in original program	One transferred to Controller's Office 10/96
Museum	2	Both filled, both in original program	
Total	63		

R-53b

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

NEW POSITIONS - SFY 94 - SFY 97

Division	Number of Positions	Status	Explanation
1995-96			
Marine Fisheries	8	One vacant, all in original program	
Soil & Water	9	One vacant, one abolished, all in original program	
Coastal Mgmt.	4	Two vacant, all in original program	
DEM	11	One vacant, all in original program	
Health Promotion	2	Filled, all in original program	
Health Statistics	4	All filled, all in original program	
Total	38		
1996-97			
Forest Resources	2	Both filled, both in original program	
Env. Education	3	All filled, all in original program	
Soil & Water	18	Two vacant, all in original program	
Water Quality	27	Two vacant, Seven not established, all in original program	
Env. Health	2	Both filled, both in original program	
Waste Reduction	3	One vacant, all in original program	
Total	55		
Grand Total	**235**		

Management Reserve Summary

R-53

Salary Reserve Policy that established the Management Reserve, was implemented October 1, 1996. Since that time the following actions have occurred:

81 actions have generated $127,010 in salary reserve in the Management Reserve. . .

7 Divisions/Offices have requested waivers for meeting the requirements of the 30% contribution to the Management Reserve. Five of these requests were approved.

$88,718 of the Management Reserve has been used. The remainder is pending approval of actions. The use has been for reclassification of positions in the Controller's Office, Environmental Education and Personnel/Human Resources, and for meeting salary requirements of moving employees from probabionary to permanent status.

FR_SALR2.WPD

R-53d

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

SALARY RESERVE ANALYSIS

	Water Resources		Waste Red.		Coastal		Forest Resources	
	1996-97		1996-97		1996-97		1996-97	
Type of Action	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**
New Hires					$1,253		$6,850	$2,595
Reallocation						$5,026		
In-Range						$13,108		$564
Promotions							$18,354	$16,295
Cola/CGRA		$682					$561	$6,968
Service Increments								$36,631
Trainee Reallocations	$1,645						$1,508	$2,290
Reassignments							$373	$3,384
Retention								
Reinstatement								
Total	$1,645	$682	$0	$0	$1,253	$18,134	$27,646	$68,727

R-53d

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

R-53e

SALARY RESERVE ANALYSIS

	Soil & Water		Land Resources		Marine Fisheries		Parks	
	1996-97		1996-97		1996-97		1996-97	
Type of Action	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**
New Hires	$6,380	$10,276	$16,079				$7,986	$1,768
Reallocation		$1,329		$15,392				
In-Range Promotions	$3,953	$8,590	$6,887	$4,345		$5,371	$19,013	$4,308
Cola/CGRA				$460			$366	$2,980
Service Increments								
Trainee Reallocations						$1,290	$17,349	
Reassignments	$1,056	$600	$4,821		$7,000			$2,756
Retention		$1,650						
Reinstatement								
Total	$11,389	$22,445	$27,787	$20,197	$7,000	$6,661	$44,714	$11,812

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

R-53F

SALARY RESERVE ANALYSIS

	Zoo		Rad. Prot.		Dental Health		Epidemiology	
	1996-97		1996-97		1996-97		1996-97	
Type of Action	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**
New Hires	$1,000				$7,129			
Reallocation		$7,353		$325				
In-Range		$1,122						
Promotions	$15,598	$2,265	$325		$17,320		$10,229	
Cola/CGRA	$742	$31,825				$2,112		$1,145
Service Increments								
Trainee Reallocations								
Reassignments						$409		
Retention								
Reinstatement		$11,921				$19,207		
Total	$17,340	$54,486	$325	$325	$24,449	$21,728	$10,229	$1,145

R-539

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

SALARY RESERVE ANALYSIS

	Env. Health		MCH		Health Promotion		Lab	
	1996-97		1996-97		1996-97		1996-97	
Type of Action	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**
New Hires	$4,547	$1,232	$34,328	$44,122		$18,143		
Reallocation								
In-Range Promotions	$34,938	$27,360	$415	$17,275		$7,508	$6,992	$3,191
Cola/CGRA	$709		$6,291	$5,156		$85		$1,172
Service Increments								
Trainee Reallocations				$884				
Reassignments		$1,667		$6,896	$1		$4,574	$6,117
Retention		$2,023						
Reinstatement	$486			$365				
Total	$40,680	$32,282	$41,034	$74,698	$1	$25,736	$11,566	$10,480

R-53h

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

SALARY RESERVE ANALYSIS

	Waste Mgmt.		Statistics		Med.Exam.		Aquarium	
	1996-97		1996-97		1996-97		1996-97	
Type of Action	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**
New Hires			$11,409			$419	$158	$242
Reallocation				$1,908				
In-Range				$3,872				
Promotions		$212	$2,441	$1,000			$13	
Cola/CGRA		$2,502	$624	$2,509	$964	$440		
Service Increments				$760				
Trainee Reallocations								
Reassignments		$2,377	$11,214		$1,420			
Retention								
Reinstatement								$8,769
Total	$0	$5,091	$25,688	$10,049	$2,384	$859	$171	$9,011

R-531

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

SALARY RESERVE ANALYSIS

	Museum		Water Quality		Air Quality		Sec. Office	
	1996-97		1996-97		1996-97		1996-97	
Type of Action	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**
New Hires	$32,155	$9,936	$854				$1,454	$6,100
Reallocation		$4,544						
In-Range		$2,715						$8,857
Promotions	$4,609	$11,320	$1,848				$11,305	$5,207
Cola/CGRA		$2,163	$4,532					$2,205
Service Increments		$1,303						
Trainee Reallocations								
Reassignments		$2,364				$889		
Retention								
Reinstatement								
Total	$36,764	$34,345	$7,234	$0	$0	$889	$12,759	$22,369

R-53j

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

SALARY RESERVE ANALYSIS

	Personnel		Controller		Budget		Gen. Services	
	1996-97		1996-97		1996-97		1996-97	
Type of Action	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**
New Hires			$2,000	$4,704				
Reallocation								
In-Range Promotions			$5,551	$9,058	$8,520			$1,570
Cola/CGRA		$1,991		$522				
Service Increments								
Trainee Reallocations								
Reassignments				$10,993			$891	
Retention								
Reinstatement								
Total	$0	$1,991	$7,551	$25,277	$8,520	$0	$891	$1,570

R-531K

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

SALARY RESERVE ANALYSIS

	Computer Serv.		Health Ed.		Env. Ed.		Reg. Offices	
	1996-97		1996-97		1996-97		1996-97	
Type of Action	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**
New Hires		$22,660						$6,484
Reallocation								
In-Range								
Promotions					$1,567	$1,567	$1,534	$946
Cola/CGRA		$1,920		$1,416				$323
Service Increments								$1,446
Trainee Reallocations								
Reassignments						$5,290		$6,333
Retention								
Reinstatement								
Total	$0	$24,580	$0	$1,416	$1,567	$6,857	$1,534	$15,532

R-531

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

SALARY RESERVE ANALYSIS

	Loc. Health		Totals	
	1996-97		1996-97	
Type of Action	Generated	Used	Generated	Used
New Hires			$133,582	$128,681
Reallocation			$0	$35,877
In-Range			$0	$30,238
Promotions			$171,412	$127,388
Cola/CGRA			$14,789	$68,576
Service Increments			$0	$40,140
Trainee Reallocations			$20,502	$4,464
Reassignments			$31,350	$50,075
Retention			$0	$3,673
Reinstatement			$486	$40,262
Total			$372,121	$529,374

State of North Carolina
Department of Environment,
Health and Natural Resources
Division of Budget, Planning & Analysis

James B. Hunt, Jr., Governor
Jonathan B. Howes, Secretary
Jane Q. Smith, Director

R-54

May 22, 1995

MEMORANDUM

TO: Beth Christensen
Fiscal Analyst

THROUGH: Steve Levitas

FROM: Jane Smith

SUBJECT: Additional Detail - Marine Fisheries Expansion Request

Attached is the detailed breakdown of the expansion request from the Division of Marine Fisheries. The budget for each year of the biennium is divided to reflect the portion of the request dedicated to the new positions requested and that portion of the request dedicated to existing staff.

Also attached is the listing of items to be covered in object 5500 - other equipment. Please call if additional information is requested.

JQS/tmc

Attachment

cc: Lois Artis
Joan Weld
Henry Lancaster
Anita Brockington

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MAY 23, 1995

MARINE FISHERIES EXPANSION REQUEST

OBJECT NO.	OBJECT TITLE	1995/96 AMOUNT TO COVER EXISTING STAFF	1995/96 AMOUNT TO COVER NEW STAFF	1996/97 AMOUNT TO COVER EXISTING STAFF	1996/97 AMOUNT TO COVER NEW STAFF
1211	SALARIES-APP	-	173,593	-	173,593
1811	SOCIAL SECURITY-APP	-	13,280	-	13,280
1881	LEO RETIREMENT CONT-APP	-	27,706	-	27,706
1831	HOSPITAL INS-APP	-	12,152	-	12,152
2130	CLOTHING AND UNIFORMS	621	24,379	20,800	4,200
3112	TRAVEL-IN-SUBS-APP	-	7,000	-	7,000
3115	DOA TRAVEL	150,000	42,840	150,000	42,840
3951	EMPLOYEE TRAINING EXP	68,000	7,000	21,500	3,500
5430	BOATS, MOTORS AND TRAILERS	-	150,000	-	-
5500	OTHER EQUIPMENT	490,121	172,200	287,321 *	-
	TOTAL	708,742	630,150	479,621	284,271
			7.0		7.0

*THIS COINCIDES WITH THE REPLACEMENT SCHEDULE FOR EQUIPMENT.

R-55

R-56

NORTH CAROLINA MARINE PATROL
EXPANSION BUDGET REQUEST
EXPLANATION OF OBJECT 5500

ITEM #1	PROVIDE FUNDING TO UPGRADE THE EXISTING COMMUNICATION SYSTEM AT THE DIVISION OF MARINE FISHERIES.	$225,000.00
ITEM #2	PROVIDE FUNDING FOR THE INITIAL EQUIPMENT ISSUANCE TO (7) NEW OFFICERS ($24,600.00 EACH).	$172,200.00
ITEM #3	PROVIDE FUNDING TO MAKE NECESSARY REPAIRS AND REPLACE EQUIPMENT ON RECENTLY ACQUIRED (FEDERAL GOVERNMENT) CREW BOAT. THESE MONIES WILL BE UTILIZED TO PURCHASE NEW ENGINE AND GEAR TO REPOWER THIS VESSEL. IN ADDITION, MONIES WILL BE UTILIZED TO CONVERT THIS VESSEL FOR LAW ENFORCEMENT PURPOSES.	$ 80,000.00
ITEM #4	PROVIDE FUNDING TO REPLACE EXISTING LORAN SYSTEMS ON MARINE PATROL VESSELS TO UPGRADE TO THE GLOBAL POSITIONING SYSTEM (4 BOATS, 3 AIRCRAFT).	$ 31,500.00
ITEM #5	PROVIDE FUNDING TO REPLACE EXISTING 1982 AND 1984 MODEL 25' PATROL VESSELS THAT ARE NO LONGER SERVICEABLE. IN ADDITION, THIS REQUEST WILL PROVIDE FOR TRAILERS AND ELECTRONICS.	$153,621.00
	TOTAL	$662,321.00

Marine Fisheries

WORKSHEET II. EXPANSION BUDGET REQUEST

Priority No. of

BUDGET CODE: 14300 DEPARTMENT: EHNR DIVISION/ INSTITUTION:
FUND NUMBER: 1325 FUND TITLE: MARINE PATROL
PROGRAM NUMBER: 5310 PROGRAM TITLE: PROTECT AND MANAGE MARINE RESOURCES
TITLE OF REQUEST: MARINE PATROL INCREASE IN PERSONNEL AND QUIPMENT REPLACEMENT

		1995-96	1996-97
6a STATUTORY CHANGES/SPECIAL PROVISIONS REQUIRED TO IMPLEMENT?	6b TOTAL REQUIREMENTS	1,338,892	763,892
7a YES NO XX	7b TOTAL RECEIPTS		
8a IF YES, ATTACH A COPY OF THE DRAFT.	8b APPROPRIATION	1,338,892	763,892
9a	9b TOTAL POSITIONS	7.0	7.0

10

NEED: Presently there are a number of areas that require funding to bring the N.C. Marine Patrol up to an acceptable level of operation. These areas include up-grading the present communications system (which is utilized by all sections of the DMF), boats, motors, and trailers assigned to the Marine Patrol, uniforms utilized by officers of the Marine Patrol, existing budgetary short falls experienced since the reorganization in August of 1993, and additional personnel, equipment, and training.

CHANGE TO PRESENT STRATEGY: This request provides the funding necessary to upgrade the existing communications system of the DMF. In addition, this request provides for up-grading the status of the existing small boat fleet of the Marine Patrol Provisions have been incorporated in this request to rectify problems associated with the reorganization in August of 1993 (DOA Travel). Requests have been made to increase staffing of the Marine Patrol by five officers over a four-year period (1994-98). This request allows for expenditing the staffing of the Marine Patrol over a period of two years (1995-97). In addition, this request provides for the necessary equipment associated with the expansion and training of all Marine Patrol personnel.

ANTICIPATED OUTCOME: The anticipated outcome of this request is to provide a staffing level for the Marine Patrol that is consistent with the job task mandate. In addition, the communication, equipment, uniform, and budgetary needs of the Marine Patrol would be brought to a level providing for the continuation and expansion of services provided to the citizens of North Carolina and protection of our valuable fisheries resource.

Priority No. of

MEASURES: G.S. 143-3.5

	Description:	New/ Existing	Actual 1993-94	Authorized 1994-95	1995-96	1996-97	1997-98	1998-99	1999-00
11	Increase the number of	Continuation	65,392	73,922	73,922	83,503	93,084	93,084	93,084
12	patrol hours by boat.	Expansion			9,581	9,581	0	0	0
13		Revised			83,503	93,084	93,084	93,084	93,084
	Increase the number of	Continuation	12	56	56	72	88	88	88
	training hours per	Expansion			16	16	0	0	0
	officer.	Revised			72	88	88	88	88
	Upgrade efficiency of	Continuation	0.75	0.75	0.75	1	1	1	1
	communications center.	Expansion			0.25	0	0	0	0
		Revised			1	1	1	1	1
	Providing officers with	Continuation	0.5	0.6	0.6	0.6	0.6	0.6	0.6
	100% of necessary	Expansion			0.4	0.4	0.4	0.4	0.4
	uniforms.	Revised			1	1	1	1	1
	Replacement of boats,	Continuation	48	52	52	59	66	66	66
	motors and trailers.	Expansion			13	13	6	6	6
		Revised			59	66	66	66	66
	Arrest/conviction ratio.	Continuation	0.9	0.9	0.9	0.9	0.9	0.9	0.9
		Expansion			0	0	0	0	0
		Revised			0.9	0.9	0.9	0.9	0.9
	License checks.	Continuation	48,119	54,396	54,396	61,719	69,042	69,042	69,042
		Expansion			7,323	7,323	0	0	0
		Revised			61,719	69,042	69,042	69,042	69,042

Note: Attach a graphic if necessary to explain the change in measures.
* Indicate if this is a New (N) or Existing Measure (E).

Priority No. of

BUDGET: G.S. 143-3.5 Detail of budget is to be provided at the SAS Agency Management Report detail level.

REQUIREMENTS:

	OBJECT NO.	OBJECT TITLE	1995-96	1996-97	1997-98	1998-99	1999-00
14	1211	SALARIES-APP	173,593	173,593	173,593	173,593	173,593
	1811	SOCIAL SECURITY-APP	13,280	13,280	13,280	13,280	13,280
	1821	LEO RETIREMENT CONT-APP	27,706	27,706	27,706	27,706	27,706
	1831	HOSPTAL INS-APP	12,152	12,152	12,152	12,152	12,152
	2130	CLOTHING AND UNIFORMS	25,000	25,000	25,000	25,000	25,000
	3112	TRAVEL-IN-SUBS-APP	7,000	7,000	7,000	7,000	7,000
	3115	DOA TRAVEL	192,840	192,840	192,840	192,840	192,840
	3951	EMPLOYEE TRAINING EXP	75,000	25,000	25,000	25,000	25,000
	5430	BOATS, MOTORS AND TRAILERS	150,000				
	5500	OTHER EQUIPMENT	662,321	287,321	100,000	100,000	100,000

*

		Actual 1993-94	Authorized 1994-95					
15	Requirements			1,338,892	763,892	576,571	576,571	576,571
16	Number of F.T.E.*	0.0	0.0	7.0	7.0	7.0	7.0	7.0
	RECEIPTS:							
17								
18	Receipts			0	0	0	0	0
19	APPROPRIATION			1,338,892	763,892	576,571	576,571	576,571
20	CASH BALANCE							

* Complete Detail information for total positions requested on the following page.

R-59

POSITIONS REQUESTED: Detail of the positions included in this expansion request. Priority No. of

	GRADE	CLASSIFICATION/EFFECTIVE DATE:	1995-96 F.T.E	1996-97 F.T.E	Annual Salary**	1995-96 Budgeted Salary	1996-97 Budgeted Salary
21	67	MARINE FISHERIES ENFORCEMENT OFFICER 11/7/95	7.000	7.000	$173,593	$173,593	$173,593
22		Total#	7.0	7.0		$173,593	$173,593

** Minimum level salary for the classification requested unless supporting OSP documentation attached.
#Total F.T.E'S equal the number of total F.T.E.'s shown on page 3 line 16 of this request.

23 DOES THIS EXPANSION REQUEST RELATE TO A CAPITAL IMPROVEMENT PROJECT? YES NO
24 IF YES, TITLE OF C.I. PROJECT:
25 C.I. BUDGET CODE: ITEM NUMBER: PROJECTED COMPLETION DATE:

SPACE REQUIREMENTS: G.S. 120-36.7 (c)
26 DOES THIS REQUEST REQUIRE ADDITIONAL SPACE? YES NO IF YES, COMPLETE THE FOLLOWING:

	Office Storage Other	1995-96	1996-97	1997-98	1998-99	1999-00
27	Type of Space:					
28	Additional Square Footage Required					
29	Estimated Cost of Space Requirements.					

Submit 6 copies on 8 1/2 x 11-inch buff paper.

R-60

EHNR-19.

LICENSED MOTOR VEHICLE PURCHASE SCHEDULE
(For continuation requests only)

Section 5
Attachment 8

(Due 9/30/96)

Department DEHNR Division or Institution Forest Resources Budget Code 14300

FUND	ACCOUNT	MAKE, TYPE, AND YEAR MODEL	DATE PURCHASED (MONTH AND YEAR)	ESTIMATED MILEAGE AS OF 6-30-97	1997-98 TOTAL COST	1997-98 TRADE-IN VALUE** (IF APPLICABLE)	1998-99 TOTAL COST	1998-99 TRADE-IN VALUE** (IF APPLICABLE)
12102201	534541	1986 GMC MECHANIC TRUCK 3/4 TON, 2WD	Dec-86	85,000	20,900	1,600		
12102201	534541	1990 DODGE MECHANIC TRUCK 3/4 TON, 2WD	Nov-90	73,500			20,900	1,600
12102201	534541	1990 DODGE MECHANIC TRUCK 3/4 TON, 2WD	Nov-90	69,000			20,900	1,600
12102201	534541	1989 DODGE VAN 1/2 TON	Oct-89	105,000	18,664	1,000		
12102201	534541	1988 CHEVROLET COMPACT 2WD	Sep-88	49,000			15,046	1,200
12102201	534541	1991 CHEVROLET COMPACT 2WD	Apr-90	71,000			15,046	1,200
12102201	534541	1991 CHEVROLET COMPACT 2WD	Apr-90	69,000			15,046	1,200
12102202	534541	1989 CHEVROLET TRUCK 1/2 TON	Apr-89	52,000			18,568	1,200
12102202	534541	1987 CHEVROLET TRUCK 3/4 TON	Feb-87	105,000	24,570	1,200		
12102202	534541	1992 DODGE VAN 3/4 TON	Mar-92	77,000			20,280	1,200
12102203	534541	1985 DODGE 4X4 3/4 TON	May-85	102,000	24,570	1,400		
12102203	534541	1986 FORD 4X4 3/4 TON	Apr-86	110,000	24,570	1,400		
12102203	534541	1990 FORD 4X4 CAB 1 TON	Jun-90	155,500	26,950	1,400		
12102203	534541	1990 CHEVROLET S-10 4X2	Apr-90	89,500			15,046	1,200
12102203	534541	1990 FORD 4X4 3/4 TON	May-90	87,000			24,570	1,400
12102203	534541	1990 CHEVROLET S-10 4X2	Apr-90	75,000			15,246	1,200
12102203	534541	1992 CHEVROLET VAN 1 TON 4X2 RADIO VAN	Apr-92	75,000			16,302	1,400
12102204	534541	1976 GMC TANDEM TRUCK TRACTOR	Jun-76	**	60,000			
12102204	534541	1976 GMC TANDEM TRUCK TRACTOR	Jun-76	**	60,000			
12102204	534541	1979 BRUIN TANDEM TRUCK TRACTOR	Jun-79	**	60,000			
12102204	534541	1980 FORD 9000 TANDEM TRUCK TRACTOR	Jun-80	**	60,000			
12102204	534541	1982 BRIGADIER TEN WHEELER	Jul-82	**	80,000			
12102204	534541	1979 TANDEM TRUCK	Jun-79	**	60,000			
12102204	534541	1980 TANDEM TRUCK	Jun-80	**	60,000			
12102204	534541	1979 BRUIN TANDEM TRUCK	Jun-79	**	60,000			
12102204	534541	1979 BRUIN TANDEM TRUCK	Jun-79	**			60,000	
12102204	534541	1980 IHC TANDEM TRUCK	Jun-80	**			60,000	
12102204	534541	1980 IHC TANDEM TRUCK	Jun-80	**			60,000	
12102204	534541	1981 IHC TANDEM TRUCK	Jun-81	**			60,000	
12102013*	534541	1990 FORD 4X4 3/4 TON	Oct-90	92,000	24,570	1,400		
12102017*	534541	1990 CHEVROLET 4X4 3/4 TON	Oct-90	92,000	24,570	1,400		

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LICENSED MOTOR VEHICLE PURCHASE SCHEDULE
(For continuation requests only)

Section 5
Attachment 8

(Due 9/30/96)

Department DEHNR Division or Institution Forest Resources Budget Code 14300

FUND	ACCOUNT	MAKE, TYPE, AND YEAR MODEL	DATE PURCHASED (MONTH AND YEAR)	ESTIMATED MILEAGE AS OF 6-30-97	1997-98 TOTAL COST	1997-98 TRADE-IN VALUE** (IF APPLICABLE)	1998-99 TOTAL COST	1998-99 TRADE-IN VALUE** (IF APPLICABLE)
12102201	534541	1986 GMC MECHANIC TRUCK 3/4 TON, 2WD	Dec-86	85,000	20,900	1,600		
12102010	534541	1988 CHEVROLET 4X4 3/4 TON	Aug-88	105,000	24,570	1,400		
12102018*	534541	1989 FORD 4X4 3/4 TON	Apr-89	70,000			24,570	1,400
12102016*	534541	1991 FORD 4X4 3/4 TON	Sep-91	55,000			24,570	1,400
12102011*	534541	1993 FORD 4X4 3/4 TON	Oct-93	85,000			24,570	1,400
12102010	534541	1990 CHEVROLET 4X4 1/2 TON	Oct-90	80,000			18,568	1,200
12102010	534541	1989 FORD 4X4 3/4 TON	May-89	75,000			24,570	1,400
12102010	534541	1989 CHEVROLET 4X4 1/2 TON	Dec-89	75,000			19,800	1,200
12102010	534541	1989 CHEVROLET 4X4 1 TON	Jun-89	70,000			26,950	1,400
12102223*	534541	1984 FORD BRONCO 4X4	Jul-84	142,000	26,280	1,400		
12102013*	534541	1984 FORD BRONCO 4X4	Jul-84	140,000	26,280	1,400		
12102025*	534541	1989 CHEVROLET 4X4 1 TON	Mar-89	100,000	26,950	1,400		
12102026*	534541	1989 CHEVROLET 4X4 1 TON	Mar-89	100,000	26,950	1,400		
12102028*	534541	1989 CHEVROLET 4X4 1 TON	Mar-89	100,000	26,950	1,400		
12102022*	534541	1990 FORD 4X4 3/4 TON	Mar-90	100,000			24,570	1,400
12102026*	534541	1990 FORD 4X4 3/4 TON	Mar-90	100,000			24,570	1,400
12102025*	534541	1991 FORD 4X4 3/4 TON	Mar-91	95,000			24,570	1,400
12102027*	534541	1991 FORD 4X4 3/4 TON	Mar-91	95,000			24,570	1,400
12102020	534541	1990 FORD 4X4 3/4 TON	Mar-90	100,000			24,570	1,400
12102034*	534541	1990 CHEVROLET 4X4 3/4 TON	May-90	131,700	24,570	1,400		
12102032*	534541	1988 CHEVROLET 4X4 3/4 TON	Apr-88	127,616	24,570	1,400		
12102037*	534541	1990 CHEVROLET 4X4 3/4 TON	May-90	123,058	24,570	1,400		
12102031*	534541	1988 CHEVROLET 4X4 3/4 TON	Apr-88	122,222	24,570	1,400		
12102030	534541	1990 CHEVROLET 4X4 3/4 TON	May-90	118,192	24,570	1,400		
12102034*	534541	1989 CHEVROLET 4X4 3/4 TON	Apr-89	117,346	24,570	1,400		
12102036*	534541	1991 FORD 4X4 3/4 TON	Apr-91	115,440	24,570	1,400		
12102033*	534541	1988 CHEVROLET 4X4 3/4 TON	Apr-88	115,218	24,570	1,400		
12102030	534541	1989 CHEVROLET 4X4 3/4 TON	Apr-89	111,750	24,570	1,400		
12102035*	534541	1989 CHEVROLET 4X4 3/4 TON	Apr-89	110,385	24,570	1,400		
12102037*	534541	1991 FORD 4X4 3/4 TON	Apr-91	108,385	24,570	1,400		
12102034*	534541	1991 FORD 4X4 3/4 TON	Apr-91	107,500	24,570	1,400		

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LICENSED [redacted]R VEHICLE PURCHASE SCHEDULE
(For continuation requests only)

Section 5
Attachment B

(Due 9/30/96)

Department DEHNR Division or Institution Forest Resources Budget Code 14300

FUND	ACCOUNT	MAKE, TYPE, AND YEAR MODEL	DATE PURCHASED (MONTH AND YEAR)	ESTIMATED MILEAGE AS OF 6-30-97	1997-98 TOTAL COST	1997-98 TRADE-IN VALUE** (IF APPLICABLE)	1998-99 TOTAL COST	1998-99 TRADE-IN VALUE** (IF APPLICABLE)
12102201	534541	1986 GMC MECHANIC TRUCK 3/4 TON, 2WD	Dec-86	85,000	20,900	1,600		
12102030	534541	1988 CHEVROLET 4X4 3/4 TON	Apr-88	107,389	24,570	1,400		
12102030	534541	1990 CHEVROLET 4X4 3/4 TON	May-90	105,997	24,570	1,400		
12102030	534541	1989 CHEVROLET 4X4 3/4 TON	Apr-89	101,343	24,570	1,400		
12102038*	534541	1992 CHEVROLET 4X4 3/4 TON	Apr-92	97,000	24,570	1,400		
12102033*	534541	1989 CHEVROLET 4X4 3/4 TON	Apr-89	116,437			24,570	1,400
12102031*	534541	1989 CHEVROLET 4X4 3/4 TON	Apr-89	116,081			24,570	1,400
12102035*	534541	1992 CHEVROLET 4X4 3/4 TON	Apr-92	108,532			24,570	1,400
12102032*	534541	1992 FORD 4X4 3/4 TON	Apr-92	104,489			24,570	1,400
12102038*	534541	1993 CHEVROLET 4X4 3/4 TON	May-93	103,750			24,570	1,400
12102043	534541	1989 CHEVROLET 4X4 3/4 TON	Oct-89	113,000	24,570	1,400		
12102047*	534541	1989 CHEVROLET 4X4 3/4 TON	Oct-89	103,000	24,570	1,400		
12102041*	534541	1992 CHEVROLET 4X4 3/4 TON	Sep-92	100,000	24,570	1,400		
12102044*	534541	1991 FORD 4X4 3/4 TON	Sep-91	69,000			24,570	1,400
12102042*	534541	1993 CHEVROLET 4X4 3/4 TON	Oct-93	68,000			24,570	1,400
12102043*	534541	1993 CHEVROLET 4X4 3/4 TON	Oct-93	64,000			24,570	1,400
12102046*	534541	1991 FORD 4X4 3/4 TON	Sep-91	105,000	24,570	1,400		
12102047*	534541	1991 FORD 4X4 3/4 TON	Sep-91	83,000			24,570	1,400
12102040	534541	1989 CHEVROLET 4X4 3/4 TON	Dec-89	100,000	24,570	1,400		
12102040	534541	1991 CHEVROLET 1/2 TON 2WD	Oct-90	75,000			15,046	1,200
12102040	534541	1992 FORD 3/4 TON 2WD	Sep-92	74,000			20,900	1,200
12102051*	534541	1988 CHEVROLET 4X2 3/4 TON	Apr-88	117,000	20,902	1,200		
12102054*	534541	1990 FORD 4X4 1 TON	Apr-90	120,000	26,950	1,400		
12102055*	534541	1988 CHEVROLET 4X2 3/4 TON	Apr-88	115,000	20,900	1,200		
12102056*	534541	1987 CHEVROLET 4X2 3/4 TON	Apr-87	155,000	20,900	1,200		
12102057*	534541	1987 CHEVROLET 4X2 3/4 TON	Apr-87	123,000	20,900	1,200		
12102058*	534541	1988 CHEVROLET 4X2 3/4 TON	Apr-88	138,500	20,900	1,200		
12102057*	534541	1988 CHEVROLET 4X4 3/4 TON	Apr-88	125,000			24,570	1,200
12102058*	534541	1988 CHEVROLET 4X2 3/4 TON	Apr-88	150,000	20,900	1,200		
12102060	534541	1988 CHEVROLET 4X2 MECHANIC	May-88	115,000	26,950	1,600		
12102221	534541	1989 CHEVROLET 4X2	Apr-89	130,000	20,900	1,200		
12102065*	534541	1990 CHEVROLET 4X4	Apr-90	130,000	24,570	1,200		

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LICENSED MOTOR VEHICLE PURCHASE SCHEDULE
(For continuation requests only)

Section 5
Attachment 8

(Due 9/30/96)

Department DEHNR Division or Institution Forest Resources Budget Code 14300

FUND	ACCOUNT	MAKE, TYPE, AND YEAR MODEL	DATE PURCHASED (MONTH AND YEAR)	ESTIMATED MILEAGE AS OF 6-30-97	1997-98 TOTAL COST	1997-98 TRADE-IN VALUE** (IF APPLICABLE)	1998-99 TOTAL COST	1998-99 TRADE-IN VALUE** (IF APPLICABLE)
12102201	534541	1986 GMC MECHANIC TRUCK 3/4 TON, 2WD	Dec-86	85,000	20,900	1,600		
12102062*	534541	1991 FORD 4X4	Apr-91	130,000	24,570	1,200		
12102066*	534541	1991 FORD 4X4	Apr-91	135,000	24,570	1,200		
12102061*	534541	1991 FORD 4X4	Jul-91	115,000	24,570	1,200		
12102060	534541	1988 CHEVROLET 4X2 MECHANIC	May-88	130,000	26,950	1,600		
12102062*	534541	1990 CHEVROLET 4X4	Apr-90	120,000	24,570	1,200		
12102063*	534541	1990 CHEVROLET 4X4	May-90	95,000			24,570	1,200
12102064*	534541	1990 CHEVROLET 4X4	Apr-89	110,000	24,570	1,200		
12102065*	534541	1991 FORD 4X4	Apr-91	115,000	24,570	1,200		
12102066*	534541	1990 DODGE 4X4	Jun-90	100,000	24,570	1,200		
12102221	534541	1987 CHEVROLET 4X4	Apr-87	100,000			24,570	1,200
12102063*	534541	1992 CHEVROLET 4X4	Mar-92	95,000			24,570	1,200
12102072*	534541	1991 FORD 2X4 3/4 TON	Apr-91	66,000			24,570	1,200
12102074*	534541	1992 CHEVROLET 4X4 3/4 TON	Feb-92	71,000			24,570	1,400
12102070	534541	1992 FORD RANGER 1/2 TON	Jun-92	70,000			15,046	1,200
12102085*	534541	1988 CHEVROLET 4X4 3/4 TON	Feb-88	165,000	24,570	1,400		
12102080	534541	1988 CHEVROLET 4X4 1 TON	Feb-88	150,000	26,950	1,400		
12102080	534541	1988 CHEVROLET MECHANIC 3/4 TON	Feb-88	115,000	24,570	1,600		
12102080	534541	1987 CHEVROLET 4X4 3/4 TON	Feb-88	125,000	24,570	1,400		
12102222	534541	1988 DODGE 1/2 TON	Feb-88	85,000			26,950	1,200
12102222	534541	1988 DODGE 1/2 TON	Feb-88	85,000			26,950	1,200
12102086*	534541	1989 CHEVROLET 4X4 1 TON	Feb-89	80,000			26,950	1,400
12102080	534541	1989 CHEVROLET 3/4 TON	Feb-89	140,000	20,900	1,200		
12102081*	534541	1990 FORD 4X4 3/4 TON	Feb-90	130,000	24,570	1,400		
12102084*	534541	1990 FORD 4X4 3/4 TON	Feb-90	110,000	24,570	1,400		
12102080	534541	1990 DODGE MECHANIC 3/4 TON	Feb-90	82,000			26,950	1,600
12102080	534541	1990 CHEVROLET 3/4 TON	Feb-90	150,000	20,900	1,200		
12102080	534541	1990 CHEVROLET 4X4 3/4 TON	Feb-90	135,000	24,570	1,400		
12102081*	534541	1991 FORD 4X4 3/4 TON	Feb-91	100,000	24,570	1,400		
12102084*	534541	1991 FORD 4X4 3/4 TON	Feb-91	90,000			24,570	1,400
12102085	534541	1991 FORD 4X4 3/4 TON	Feb-91	150,000	24,570	1,400		
12102083	534541	1992 CHEVROLET 4X4 3/4 TON	Feb-92	115,000	24,570	1,400		
12102080	534541	1992 FORD MECHANIC 3/4 TON	Feb-92	70,000			26,950	1,600

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LICENSED MOTOR VEHICLE PURCHASE SCHEDULE
(For continuation requests only)

Section 5
Attachment 8

(Due 9/30/96)

Department DEHNR Division or Institution Forest Resources Budget Code 14300

FUND	ACCOUNT	MAKE, TYPE, AND YEAR MODEL	DATE PURCHASED (MONTH AND YEAR)	ESTIMATED MILEAGE AS OF 6-30-97	1997-98 TOTAL COST	1997-98 TRADE-IN VALUE** (IF APPLICABLE)	1998-99 TOTAL COST	1998-99 TRADE-IN VALUE** (IF APPLICABLE)
12102201	534541	1986 GMC MECHANIC TRUCK 3/4 TON, 2WD	Dec-86	85,000	20,900	1,600		
12102082*	534541	1993 CHEVROLET 4X4 3/4 TON	Feb-93	77,000			24,570	1,400
12102083*	534541	1994 CHEVROLET 4X4 3/4 TON	Feb-94	75,000			24,570	1,400
12102095*	534541	1986 FORD 4X4 3/4 TON	Dec-86	100,000	24,570	1,400		
12102093*	534541	1988 CHEVROLET 4X4 3/4 TON	Nov-88	100,000	24,570	1,400		
12102097*	534541	1987 CHEVROLET 4X4 3/4 TON	Sep-87	100,000			24,570	1,400
12102090	534541	1989 FORD 4X4 3/4 TON	Jan-90	100,000			24,570	1,400
12102107*	534541	1992 CHEVROLET 4X4 3/4 TON	May-92	102,000	24,570	1,400		
12102109*	534541	1992 FORD 4X4 3/4 TON	May-92	92,000	24,570	1,400		
12102202	534541	1992 DODGE VAN 3/4 TON	Apr-92	77,000			20,900	1,200
12102100	534541	1989 CHEVROLET 3/4 TON	Apr-89	131,000	20,900	1,200		
12102100	534541	1988 CHEVROLET 4X4 3/4 TON	May-88	81,000			24,570	1,400
12102101*	534541	1993 FORD 4X4 3/4 TON	Apr-93	68,000			24,570	1,400
12102103*	534541	1993 FORD 4X4 3/4 TON	Apr-93	77,000			24,570	1,400
12102104*	534541	1993 FORD 4X4 3/4 TON	Apr-93	69,000			24,570	1,400
12102106*	534541	1993 CHEVROLET 4X4 3/4 TON	May-93	90,000	24,570	1,400		
12102155*	534541	1993 CHEVROLET 4X4 3/4 TON	May-93	74,000			24,570	1,400
12102110	534541	1990 CHEVROLET 2X4 1/2 TON	May-90	125,000	18,568	1,200		
12102110	534541	1990 CHEVROLET 2X4 1/2 TON	May-90	125,000	19,800	1,200		
12102110	534541	1988 CHEVROLET 2X4 3/4 TON	Mar-88	115,000	20,900	1,200		
12102113*	534541	1992 CHEVROLET 4X4 3/4 TON	Apr-92	80,000			24,570	1,400
12102116*	534541	1992 CHEVROLET 4X4 3/4 TON	Apr-92	85,000			24,570	1,400
12102112*	534541	1993 CHEVROLET 4X4 3/4 TON	May-93	70,000			24,570	1,400
12102114*	534541	1993 CHEVROLET 4X4 3/4 TON	May-93	75,000			24,570	1,400
12102115*	534541	1993 CHEVROLET 4X4 3/4 TON	May-93	70,000			24,570	1,400
12102126*	534541	1990 FORD 4X4 3/4 TON	Apr-90	90,000	24,570	1,400		
12102122*	534541	1992 FORD 4X4 3/4 TON	Apr-92	91,000	24,570	1,400		
12102121*	534541	1992 FORD 4X4 3/4 TON	Apr-92	85,000			24,570	1,400
12102122*	534541	1993 FORD 4X4 3/4 TON	Apr-93	80,000	24,570	1,400		
12102120	534541	1989 CHEVROLET 4X4 1 TON	May-90	121,000	26,950	1,400		
12102130	534541	1992 FORD RANGER 2X4	May-92	75,000			15,046	1,200

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LICENSED MOTOR VEHICLE PURCHASE SCHEDULE
(For continuation requests only)

Section 5
Attachment 8

(Due 9/30/96)

Department DEHNR Division or Institution Forest Resources Budget Code 14300

FUND	ACCOUNT	MAKE, TYPE, AND YEAR MODEL	DATE PURCHASED (MONTH AND YEAR)	ESTIMATED MILEAGE AS OF 6-30-97	1997-98 TOTAL COST	1997-98 TRADE-IN VALUE** (IF APPLICABLE)	1998-99 TOTAL COST	1998-99 TRADE-IN VALUE** (IF APPLICABLE)
12102201	534541	1986 GMC MECHANIC TRUCK 3/4 TON, 2WD	Dec-86	85,000	20,900	1,600		
12102132*	534541	1988 CHEVROLET 4X4 3/4 TON	May-88	175,000	24,570	1,400		
12102132*	534541	1989 CHEVROLET 4X4 3/4 TON	Jun-89	130,000	24,570	1,400		
12102132*	534541	1989 CHEVROLET 4X4 3/4 TON	Jun-89	137,000	24,570	1,400		
12102131*	534541	1993 CHEVROLET 4X4 3/4 TON	Jun-93	130,000	24,570	1,400		
12102133*	534541	1988 CHEVROLET 4X4 3/4 TON	May-88	95,000	24,570	1,400		
12102134*	534541	1987 CHEVROLET 2X4 1/2 TON	Jun-87	155,000	18,568	1,200		
12102134*	534541	1991 CHEVROLET 4X4 3/4 TON	Jun-91	110,000	24,570	1,400		
		Total by Fund/Account			$2,546,572	$114,800	$1,706,756	$86,200
		Less: Motor vehicles included in 1996-97 Authorized Year			$568,578	76,800	$568,578	76,800
		Less: County Receipts*			$518,134		$342,741	
		Net Amount to Worksheet 1			$1,459,860	$38,000	$795,437	$9,400

*Represents County Vehicles
** Trade-in value will be shown as estimated receipts - "Sale of Surplus Property."

Submit 6 copies on 8 1/2 x 11-inch paper.

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OTHER VEHICLE PURCHASE SCHEDULE
(For continuation requests only)

Section
Attachment
(Due 9/30/96

Department DEHNR **Division or Institution** FOREST RESOURCES **Budget Code**

FUND	ACCOUNT	DESCRIPTION (MAKE, TYPE, AND YEAR MODEL)	DATE PURCHASED (MONTH & YEAR) NUMBER	CONDITION*	1997-98 TOTAL COST	1997-98 TRADE-IN VALUE** (IF APPLICABLE)	1998-99 TOTAL COST	1998-99 TRADE-IN VALUE** (IF APPLICABLE)
12102204	534542	1953 CESSNA AIRCRAFT L19A N10714	1963	POOR-SEE ATTACHED	200,000			
12102204	534542	1953 CESSNA AIRCRAFT L19 N2FS	1963	POOR-SEE ATTACHED			200,000	
		Total by Fund/Account			$200,000		$200,000	

* Provide information from maintenance records, frequency of repairs, and other pertinent information such as mileage or hours of operation to assist in determining condition.

** Trade-in value will be shown as estimated receipts - "Sale of Surplus Property."

Submit 6 copies on 8 1/2 x 11-inch paper.

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OTHER VEHICLE PURCHASE SCHEDULE

(For continuation requests only)

DEPARTMENT DEHNR Division or Institution FOREST RESOURCES Budget Code

FUND	ACCOUNT	DESCRIPTION (MAKE, TYPE, AND YEAR MODEL)	DATE PURCHASED (MONTH & YEAR) NUMBER	CONDITION*	1997-98 TOTAL COST	1997-98 TRADE-IN VALUE** (IF APPLICABLE)	1998-9 TOTAL COST	1998-9 (I
12102204	534544	FARM TRAILER-UTILITY SHOP MADE	1978	POOR-SEE ATTACHED			12,000	
12102204	534544	1973 LOWBOY TRAILER 35 TON 28' DECK	1973	POOR-SEE ATTACHED	18,000			
12102204	534544	1970 LOWBOY TRAILER 25 TON 26' DECK	1970	POOR-SEE ATTACHED	16,000			
12102204	534544	1974 LOWBOY TRAILER 35 TON 28' DECK	1974	POOR-SEE ATTACHED	18,000			
12102204	534544	1970 LOWBOY TRAILER 25 TON 26' DECK	1970	POOR-SEE ATTACHED	16,000			
12102204	534544	1974 LOWBOY TRAILER 35 TON 28' DECK	1974	POOR-SEE ATTACHED			18,000	
12102204	534544	1973 REID LOWBOY TRAILER 25 TON 26' DECK	1973	POOR-SEE ATTACHED			16,000	
12102204	534544	1975 LOWBOY TRAILER 35 TON 28' DECK	1975	POOR-SEE ATTACHED			18,000	
12102204	534544	1970 LOWBOY TRAILER 35 TON 28' DECK	1970	POOR-SEE ATTACHED			18,000	
12102204	534544	1968 REID LOWBOY TRAILER 35 TON 26' DECK	1968	POOR-SEE ATTACHED			16,000	
		Total by Fund/Account			$68,000		$98,000	

* Provide information from maintenance records, frequency of repairs, and other pertinent information such as mileage or hours of operation to assist in determining condition.

** Trade-in value will be shown as estimated receipts - "Sale of Surplus Property."

Submit 6 copies on 8 1/2 x 11-inch paper.

R-68

EHNR-27

OTHER VEHICLE PURCHASE SCHEDULE

(For continuation requests only)

Section 5
Attachment 9
(Due 9/30/96)

DEPARTMENT DEHNR | Division or Institution FOREST RESOURCES | Budget Code 14300

FUND	ACCOUNT	DESCRIPTION (MAKE, TYPE, AND YEAR MODEL)	DATE PURCHASED (MONTH & YEAR) NUMBER	CONDITION*	1997-98 TOTAL COST	1997-98 TRADE-IN VALUE** (IF APPLICABLE)	1998-99 TOTAL COST	1998-99 TRADE-IN VALUE** (IF APPLICABLE)
12102204	534549	1978 FIAT 8 TRACTOR LGP MED 100HP	1978	POOR-SEE ATTACHED	105,000			
12102204	534549	1978 FIAT 8 TRACTOR 90 HP STANDARD	1978	POOR-SEE ATTACHED	80,000			
12102204	534549	1978 FIAT 8 TRACTOR LGP MED 100HP	1978	POOR-SEE ATTACHED	105,000			
12102204	534549	1978 FIAT 8 TRACTOR 90 HP STANDARD	1978	POOR-SEE ATTACHED	80,000			
12102204	534549	1978 CASE 1150B 120HP HEAVY LPG	1978	POOR-SEE ATTACHED			130,000	
12102204	534549	1979 CASE 1150B 120 HP HEAVY LPG	1979	POOR-SEE ATTACHED			130,000	
12102204	534549	1980 FIAT 8 TRACTOR 90 HP STANDARD	1980	POOR-SEE ATTACHED			80,000	
12102204	534549	1978 CASE 1150B 120HP HEAVY LPG	1978	POOR-SEE ATTACHED			130,000	
12102204	534549	1973 TRACTOR TD15C 120HP HEAVY LPG	1973	POOR-SEE ATTACHED			130,000	
12102204	534549	1972 FORD TRACTOR 3000	1972	POOR-SEE ATTACHED			25,000	
12102204	534549	1974 FORD TRACTOR 5000	1974	POOR-SEE ATTACHED			55,000	
		Total by Fund/Account			370,000		680,000	

* Provide information from maintenance records, frequency of repairs, and other pertinent information such as mileage or hours of operation to assist in determining condition.

** Trade-in value will be shown as estimated receipts - "Sale of Surplus Property."

Submit 6 copies on 8 1/2 x 11-inch paper.

R-69

OPERATING RESERVE

Department of EHNR
1997-99 Operating Reserve
Continuation Budget

Division of Parks and Recreation

JUSTIFICATION FOR FUNDING

Since 1993, numerous new acquisitions and facilities have been authorized by the NC General Assembly to be added to the State Parks System. These projects have been funded by the 1993 State Parks Bond Referendum, and by a 1995 capital appropriation of $10,000,000. In addition, two new parks have been added to the system. These new parks were authorized by the General Assembly, and the acquisitions were funded by the Natural Heritage Trust Fund. Most of these new facilities and acquisitions are expected to be completed within the next biennial budget cycle. Therefore, funding for the operation of these previously authorized projects is requested from the 1997-99 Operating Reserves.

STATE PARKS BOND PROJECTS

Funding is requested for operation of the following projects which were funded by the 1993 State Parks Bond:

Bushy Lake State Natural Area - 1050 acres
Carolina Beach State Park - Visitor center
Cliffs of the Neuse State Park - Office, bathhouse, campground
Crowders Mountain State Park - Visitor center
Crowders Mountain State Park - 292 acres
Duke Power State Park - Community building
Eno River State Park - Picnic area
Fort Fisher State Recreation Area - Visitor contact station
Fort Macon State Park - Fort restoration
Goose Creek State Park - Visitor center/Phase I Environmental education center
Hanging Rock State Park - Visitor center
Hanging Rock State Park - 350 acres
Jockey's Ridge State Park - Visitor center/Concession building
Kerr Lake State Recreation Area - Visitor center/Development
Lake James State Park - Maintenance building
Lake Waccamaw State Park - Visitor center
Lumber River State Park - Office, picnic area, campground at Princess Ann Access
Lumber River State Park - 1500 acres
Merchants Millpond State Park - Picnic area
Medoc Mountain State Park - Office, campground, maintenance buildings
Morrow Mountain State Park - Campground, maintenance area

Mount Jefferson State Natural Area - Picnic area, trail development
Mount Mitchell State Park - Museum renovations, handicap access, utilities
Mount Mitchell State Park - 350 acres
New River State Park - Site #3 development
Pettigrew State Park - West End Access development
Raven Rock State Park - Maintenance area
South Mountains State Park - Horse cam,p/Picnic area
Stone Mountain State Park - Picnic area
Stone Mountain State Park - 426 acres
William B. Umstead State Park - Visitor center

OTHER

Funding is also requested for the operation of the following projects, with funding sources as indicated:

Falls Lake State Recreation Area - 1050 acres, trail	(Transfer from WRC)
Occoneechee Mountain State Natural Area - 150 acres	(New park, authorized 1994)
Run Hill State Natural Area - 130 acres	(New park, authorized 1995)
Singletary Lake State Park - Group camp	(1995 Capital Appropriation)
Weymouth Woods State Natural Area - 97 acres	(Natural Heritage Trust Fund)

R-72

Why DPPEA Should Not Be Privatized

Privatization of the Division of Pollution Prevention and Environmental Assistance (DPPEA) would severely impact the goal of the state to promote a healthy environment and a sound economy. To attain this goal, state government needs a balanced approach between technical assistance and regulatory enforcement. The services of DPPEA embody this goal by providing a pollution prevention approach designed to encourage a shift from using costly traditional pollution control technologies to a cost-avoiding prevention approach (i.e. eliminating, reducing or recycling wastes before they become pollutants).

The services of DPPEA are not available anywhere else in the state and would be difficult for the private sector to develop. As a part of state government, the Division is able to leverage a broad range of state, federal and private resources to meet the needs of industries, businesses and local governments. This coordinated effort provides access to affordable training courses, technical materials and expertise that would not otherwise be available. This effort by DPPEA allows the State to provide timely information to affected entities on changing regulations, policies and statutes.

Since NC's pollution prevention effort was first established in FY1984, it has developed the resources and expertise needed to address the types of waste generated by NC's business, industries and local governments. DPPEA is recognized across the nation as the leader in the development of information resources, publications, training and outreach efforts, and technical assistance on pollution prevention. DPPEA's technical assistance provides a starting point and tools for the development of a cost effective waste management program based on pollution prevention. DPPEA resources enable private and public sector clients to make more informed and timely decisions on cost-effective waste management programs. These resources are used by businesses, industries, local governments, consultants, state agencies, universities and private citizens.

Very few consultants in the nation provide comprehensive pollution prevention services. An environmental consultant stated at a recent professional conference, "The scant number of pollution control consultants offering private sector pollution prevention services is ample proof of the difficult nature of this business." There are many reasons for this. For example, pollution prevention projects result in significantly fewer billable hours compared to capital-intensive pollution control projects. Also pollution prevention projects require extensive customization for individual clients based on their production process and management structure. The services DPPEA provides are complementary to those provided by consultants. In fact, consultants use DPPEA's resources to identify solutions for their clients.

While DPPEA does work with individual clients it maintains a larger statewide perspective. DPPEA develops proactive services to address whole industrial sectors, specific waste streams, types of government agencies, or impacted geographic regions. The statewide perspective sets DPPEA apart from the approach taken by other public and private sectors assistance groups.

FY-97 GRANTS

Recipient	Area Affected	Purpose/Outcome	Amount	Grantee Match
Miller Control and Manuf. Co., Inc.	Clinton/ Sampson	Demonstrate alternative fiberglass lay-up procedures incorporating the use of scrap fiberglass as filler to reduce styrene resin requirements and associated emissions by up to 20%. Significant reduction potential for air emissions and solid waste. Project has large transfer potential to other fiberglass fabricators.	$5,800	$9,550
Converse, Inc.	Lumberton/ Robeson	Demonstrate use of water-based adhesives and infrared curing in place of solvent-based adhesives in athletic shoe manufacturing. Huge potential reduction in hexane emissions and energy consumption. Potential application for other large adhesive users.	$15,000	$202,000
Eaton Corporation	Fletcher/ Buncombe	Demonstrate the process for developing an Environmental Management System following the guidelines for ISO 14001. Supply documentation of the steps and procedures followed in developing and implementing the system. Many companies are interested in guidance materials on developing an environmental management system.	$10,000	$140,000
One Hour Koretizing	Rocky Mount/ Nash	Demonstrate efficacy of wet cleaning of garments previously considered dry-clean only. Opportunity to significantly lower air emissions and hazardous waste generation and liability from dry cleaning industry.	$9,875	$30,000
NCSU College of Textiles	Raleigh/ Wake	Fund a project to evaluate and demonstrate a system to provide real-time monitoring and process control of a textile dyeing process. This project has great potential for transfer to textile wet processing plants and great potential for reducing water pollutants, water and energy consumption, and cost in the textile industry.	$22,200	N/A
Carolina Power & Light Co., Inc.	Roxboro/ Person	Demonstrate a system to separate flyash into carbon-rich and carbon-depleted streams. The carbon-rich stream will be returned to the power plant boiler and re-burned to utilize the residual energy source, and commercial recycling opportunities for the carbon-depleted stream will be examined. If successful, the project can be potentially duplicated on a smaller scale by other non-utilities that operate coal-fired boilers to lower coal costs and ash management costs.	$7,500	$1,550,000
County School Bus Garages in 10 counties	Numerous cities and counties	Project will demonstrate and evaluate the effectiveness of by-pass oil filters on school buses. This technology is reported to eliminate the need for oil changes while reducing engine wear and enhancin fuel economy. Participating counties are currently being identified.	$20,000	N/A
UNC Water Resources Research Inst.	Raleigh/ Wake	Fund a pollution prevention internship program to provide valuable work experience to interested students at North Carolina's public and private institutions of higher learning.	$40,000	N/A
Land-of-Sky Council	Asheville/ Buncombe	Fund development of technical information resources on water conservation and pollution prevention by retired engineers and scientists participating in the NC Waste Reduction and Technology Transfer program.	$4,000	N/A
UNC Water Resources Res. Inst.	Raleigh/ Wake	Fund a pollution prevention internship program to provide valuable work experience to interested students at North Carolina's public and private institutions of higher learning.	$40,000	N/A

R-74

Randolph County	Randolph	Randolph County will install processing equipment to expand its recycling program for mixed paper, corrugated cardboard, and textile cones and tubes.	$25,000	$2,500
Union County	Union	Union County will purchase equipment to expand its school and business paper collection program.	$25,000	$2,500
Pitt County	Pitt	Pitt County and the Eastern Carolina Vocational Center will expand their collection and processing systems to accept regular and junk mail, brown paper bags, and additional newspaper and cardboard.	$25,000	$2,500
Caldwell County	Caldwell	Caldwell County will implement a paper waste reduction program throughout its school system and at county businesses and industries.	$25,000	$2,500
Conwed Fibers	Western NC	Conwed Fibers will expand its production of "Enviroblend" hydro-mulch, which will increase its consumption of recycled newsprint by 3500 tons annually.	$25,000	$2,500
NC Chapter, SW Assoc. of North. America	Statewide impact	DPPEA, US EPA Region IV, and NC SWANA have cosponsored a workshop to train local officials and their contracted haulers to capture greater efficiencies in their recycling collection programs.	$5,000	$5,000
Wake County	Wake County and statewide impact	Wake County will implement a pilot recycling and waste reduction program in a local hotel. The project will yield information that can be used for similar efforts statewide.	$5,000	$2,000
NC Recyc. Assoc.	Statewide impact	NCRA conducted registration and other logistics for the 1996 Recycling Coordinators Training Course in Raleigh and Charlotte.	$15,275	N/A
UNC Public Policy Prog.	N/A	The UNC-CH Public Policy administered the contract to provide two interns to DPPEA over the course of FY97.	$25,479	N/A
Woodbin2	Wake County and statewide impact	Woodbin2 is conducting a "Home Builder's Recycling Initiative," testing source separation recycling collection techniques for construction materials on new home sites.	$29,000	$10,000

FY-96 GRANTS

Recipient	Area Affected	Purpose	Amount	Grantee Match
ABB Power T&D Company	Greensboro/ Guilford	Demonstrate powder coatings on non-conductive fiberglass tubes as an alternative to solvent-based spray coating. This demonstration opens the door for other uses of this cost-saving, emission-reducing coating technology for coating non-conductive materials such as plastic and wood.	$15,000	$145,000
Athol Corporation	Butner/ Granville	Demonstrate a process to cryogenically separate PVC coating from fabric and to reuse the recovered PVC in the process. Work still ongoing.	$15,000	$117,000
Burlington Chemical Company.	Burlington/ Alamance	Demonstrate the use of a stress gene assay to develop less-toxic products for the textile industry. The technique will enable textile wet processors and other chemical users to determine specific raw materials that contribute to aquatic toxicity so that they can find substitutes or minimize their use. Effluent toxicity is a significant concern for textile mills and towns with large textile mills.	$15,000	$28,620
ECU Dept. of Indust. Tech.	Greenville/ Pitt	Determine and document best manufacturing practices for open-mold fiberglass fabrication operations. The demonstration site that implemented these practices realized a 62% reduction in waste and an improvement in product quality.	$17,600	N/A

Hankison International	Newport/ Carteret	Demonstrate a system to recycle wastewater from its metal cleaning and pretreatment operation and to switch to a powder coating system from the current solvent based painting operation. This innovative system has been duplicated at several other locations (e.g., Hogslat, Inc. in Newton Grove) enabling companies to attain compliance with wastewater permit requirements.	$15,000	$785,000
Kiel, Woodward & Assoc.	Chapel Hill/ Orange	Study and document management approaches of 13 companies who are recognized as leaders in environmental management. Information gathered and contacts made will be highlighted in a conference on environmental management systems in FY 98. This study was a follow up to an EPA-funded study that resulted in case studies of 6 North Carolina companies.	$11,600	N/A
Maple Springs Laundry	Hickory/ Catawba	Demonstrate the use of tunnel washing equipment and hydrogen peroxide in place of hypochlorite in a commercial laundry operation. The project resulted in large savings on water, energy, and chemical usage, plus a dramatic increase in plant throughput. The results have significant transfer potential.	$20,000	$330,000
Randolph County	Randolph	Provide funds for the county to implement a coordinated multi-media waste reduction outreach program. The project has resulted in several sector-specific workshops (e.g., textiles, auto repair, restaurants, industrial wastewater management). The project will culminate in a report documenting reduction in waste generation, improvement in regulatory compliance, and increased awareness of pollution prevention opportunities.	$15,000	N/A
Solectron Technology Inc.	Charlotte/ Mecklenburg	Demonstrate a no-clean, VOC-free process for its printed circuit board manufacturing operation. Project succesfully demonstrated. Large transfer potential.	$10,000	$240,000
B & B Top Soil Mine, Inc.	Durham, Granville, Vance	B& B Top Soil Mines will expand operations that divert stumps, brush and yard waste.	$40,000	$8,000
Buncombe County	Buncombe	Buncombe County purchased office recycling containers, conducted program promotion and education, and expanded in-house recyclables collection to reduce waste disposal costs.	$20,000	$5,000
Cornerstone Christian Center	Gaston	Cornerstone Christian Center purchased a utility vehicle to increase recycling collections from businesses and multi-family units.	$20,000	$5,000
Town of Kill Devil Hills	Dare/Kill Devil Hills	Kill Devil Hills purchased of six 40-yard roll-off containers to increase recycling collections and decrease recycling transportation and processing costs.	$18,504	$4,625
Burke County	Burke	Burke County developed Consumer Source Reduction Education Centers at convenience centers providing information on backyard composting, bulk mail reduction, toxicity reduction, and enviro-shopping.	$11,604	$3,000
Town of Farmville	Farmville/ Pitt Co.	Farmville purchased a horizontal baler to reduce labor costs and increase materials handling efficiency.	$20,000	$5,000
Keep Iredell Clean	Iredell	Keep Iredell Clean established a program offering recycling collections from small businesses, hosting a Recycling Expo, and linking recycling companies with generators.	$14,520	$3,630
The Scrap Exchange	Durham, Wake, Orange	The Scrap Exchange expanded collection service to industrial generators through purchase of a new collection vehicle.	$18,600	$4,650

R-76

NCSU, Animal Waste Mgt. Center	Statewide impact	NC State will conduct tests on a scrap gypsum based product to determine whether it is a viable alternative to treating swine waste odor.	$22,799	N/A
Stanly County	Stanly	Stanly County purchased a computer and software to track recyclables tonnages, manage a database of commercial and industrial generators, and produce educational materials for county residents.	$2,758	$700
Martin Co./Martin Enterprises	Martin	Martin County and Martin Enterprises purchased a horizontal baler to expand cardboard collection and initiate white office paper recycling.	$20,000	$5,000
Alleghany County	Alleghany	Alleghaby County constructed a larger recyclables processing center and purchased a baler and fork lift to increase the number of materials accepted and allow for more collection sites.	$20,000	$5,000
New Hanover	New Hanover	New Hanover County expanded its household battery collection program to include 2 additonal retail outlets, 2 school sites, and offering information to 5 commercial generators.	$7,811	$2,000
Polymer Reclaim & Exchange	Statewide impact	Polymer Reclaim & Exchange will expand its small-scale vinyl siding program statewide, increasing collections from 110,000 to 300,000 pounds per month.	$60,000	$12,000
Albemarle Regional SWMA	Hyde,Dare Tyrell, Gates, Perquiman, Currituck, Chowan	Albemarle Solid Waste Authority purchased equipment to interface with existing main frame computer and electronic scales to record and track waste from point of generation to marketing.	$4,000	$1,000
North Carolina Recycling Assoc	Statewide impact	NCRA's Collegiate Recycling Council created a directory of model campus waste reduction programs and published it on the world wide web.	$5,450	$1,000
Madison County	Madison	Madison County expanded and improved recycling programs for office paper, mixed paper, and corrugated cardboard at county schools, businesses, and staffed convenience centers.	$20,480	$4,000
North Carolina Harvest, Inc.	Mecklenburg and surrounding counties	North Carolina Harvest, Inc. purchased a truck to expand produce recovery effort from the Charlotte Regional Farmer's Market and area food brokers.	$10,000	$2,000
Inter-Faith Food Shuttle	Wake and surrounding counties	Inter-Faith Food Shuttle purchaseed a truck to expand its food collection from NC State Farmer's Market and local donors.	$10,000	$2,000
Good Shepherd House	New Hanover and surrounding counties	Good Shepherd House purchased and installed a commercial, walk-in cooler for donated food from area restaurants, grocery stores, and institutions.	$10,000	$2,000
Univ. Honors Prog./UNC-Charl.	Charlotte	The University Honors Program at UNCC added refrigeration and upgraded a van for food collections from campus cafeterias.	$5,130	$1,000
Craven County	Craven	Craven County purchased computer equipment and software to facilitate solid waste sticker distribution and redemption program.	$2,800	$700

R-77

Grants prior to FY95-96

McKay's Dry Cleaners - Raleigh/ Wake County - $15,000
Demonstrate multi-process garment cleaning, a combination of wet and dry cleaning. The project will assess the applicability to multi-process cleaning to various fabrics.

Sara Lee Knit Products - Morganton/ Burke County - $9,422
Demonstrate reusing spent brine solutions from dyeing process. Reusing spent dyebaths will help eliminate the need for expensive color and salt removal equipment.

Sno White Cleaners - Greensboro/ Guilford - $10,000
Install condensation system to recover petroleum solvents currently being vented to the atmosphere. The recovered solvents would be distilled and reused, reducing virgin solvent purchases.

Nomaco, Inc - Zebulon/ Guilford - $15,000
Construct a facility to grind, melt, redensify, and repelletize plastic foam scrap generated from production operations. The recovered plastic will be returned to the manufacturing process or sold to other users. This would reduce solid waste by 80%.

ChemEnco, Inc - Charlotte/ Mecklenburg - $15,000
Demonstrate production of sulfuric acid using spent wastewater from the textile dye industry as a feedstock. This wastewater contains large quantities of dilute sulfuric acid which can be potentially be reclaimed and marketed.

Spectrum Recycling, Corp. - Charlotte/ Mecklenburg - $15,000
Expand a pelletizing line for recycling nylon and polyester scrap from the textile industry. This project will convert 8 million pounds of scrap fiber into usable product.

NCSU Furniture Manufacturing and Management Center - $15,000
Survey wood furniture manufacturers to assess recordkeeping practices for material usage. Develop recordkeeping and reporting software program to aid small furniture manufacturers. Develop educational materials.

UNC Water Resources Research Institute - $30,000
Contract for student internship program.

ECU School of Industrial Technologies - $21,100
Update and expand pollution prevention manual for boat-building and composite reinforced plastic manufacturers

Kenan-Flagler Business School (UNC) - $3,000
Conduct a business survey of furniture industry executives to assess their attitudes toward environmental management issues and pollution prevention.

NCSU College of Textiles - Statewide Impact - $50,000
Expand database of environmental parameters of textile chemicals. Test expert system to predict effluent parameters with a given set of chemical inputs and operating conditions.

Albemarle Regional Solid Waste Management Authority - $13,750
Implementation of a household hazardous waste education , paint swap, and antifreeze recycling.

R-78

Cleveland County/Towns of Shelby and Kings Mountain - $30,000
Construction of Recycling/Waste Reduction Centers

McDowell County - $8,270
Construction of staffed convenience centers

City of King/Stokes County - $30,000
Construction of a staffed convenience center

Brunswick County/Town of Long Beach - $10,900
Implementation and assessment of a blue bag recycling program targeting permanent residents and tourists

Alexander County - $10,905
Upgrade of Recyclables Collection at Drop Off Centers

Caswell County - $15,000
Purchase of truck for transporting recyclables and materials recovery facility upgrade

New Hanover County - $8,330
Construction of glass storage bunkers

Davie County - $15,000
Materials Recovery Facility Upgrade

Craven County - $5,000
Implementation of a paint exchange program

Woodbin 2 Project - $4,000
Development of self-build kits for children's playhouses from discarded building materials

The Scrap Exchange - $5,000
Purchase of a van for collecting donated materials from industrial generators

Town of Windsor - $1,750
Establishment of backyard composting program

North Carolina Recycling Assoc./ NC Composting and Organics Recycling Council - $5,000
Conduct a statewide backyard composting training workshop

Martin County/Martin Enterprises - $25,000
Purchase of a truck and skidder loader for a business corrugated cardboard collection route

Craftsman Fabrics Industries - Concord/ Cabarrus - $15,000 ($22,112 company match)
Reduce water and chemical consumption through improved dyebath equipment process control

Hatteras Yachts - High Point/ Guilford - $15,000 ($20,295 company match)
Evaluate HVLP spray guns for polyester gel and direct application roller equipment of polyester resin in large boat manufacturing.

R-79

Hatteras Yachts - New Bern/ Craven - $15,000 ($19,346 company match)
Evaluate new multi-component HVLP spray equipment for applying linear polyurethane exterior pain for fiberglass yachts.

C&R Electroless Nickel Services - Gastonia/Gaston - $10,000 ($30,445 company match)
Implement closed loop electroless nickel plating line; record before/after savings and reduction in pollutant releases

Trinity America Corp. - Glenola/ Randolph - $15,000 ($15,000 company match)
Pilot test equipment for manufacturing flexible polyurethane foam without use of auxiliary blowing agents.

T.S. Designs, Inc. - Burlington/ Alamance - $2,573 ($2,573 company match)
Design and install recovery system for water and chemicals used in cleaning ink printing screens.

Henredon Furniture Industries - Spruce Pine/ McDowell - $12,900 ($15,080 company match)
Retrofit spray booth with reusable metal filters, evaluate hybrid water-borne coating conversion for high-end wood furniture manufacturing.

Kemet Electronics Corp. - Shelby/ Cleveland - $15,000 ($80,285 company match)
Develop process to reclaim latex/ceramic film for reuse in capacitor manufacturing.

Mannington Ceramic Tile - Lexington/ Davidson - $1,950 ($1,950 company match)
Reduce water consumption by 85% to 90% with low-cost wastewater reuse project.

Tillet Chemical, Inc. - Charlotte/ Mecklenburg - $14,000 ($36,300 company match)
Substitute methyl chloroform with isopropyl alcohol in manufactur of carboxymethyl starch.

Randolph County - $10,000
Initiation of a waste reduction program targeting the county's textile industry

Burke County - $3,000
Development of a waste reduction information and referral service for businesses

Ashe County - $15,000
Establish five permanent recycling drop-off centers.

Town of Andrews - $15,000
Construct three trailers and a purchase a truck to activate a voluntary/partially mandatory curbside recycling program.

Town of Butner - $11,900
Expanded plastics collection program, establish a baling and processing center, and conduct an educational program for area schools.

Burke County - $15,000
Construct a permanent recycling center for processing and recycling chlorofluorocarbons (CFC's) extracted from white goods prior to recycling.

Camden County - $7,467
Complete the improvement of three staffed recycling centers, including addition of more recycling containers.

R-80

Caldwell County - $15,000
Construct a staffed convenience center in a remote area, establish a mobile recycling drop-off program and conduct intensive recycling education in Caldwell elementary schools.

Cape Fear (Region O) Council of Governments - $31,798
Implement a region-wide waste reduction and recycling program with emphasis on commercial and industrial recycling, regional marketing, and education.

Edgecombe County - $15,000
Construct and implement a recycling center in a rural area of the county.

Town of Faison - $2,410
Construct an unloading ramp to process recyclables (particularly plastics) more efficiently.

Northampton County - $5,000
Collect, process, and market plastic pesticide containers and implement an educational program for area farmers.

Mecklenburg County - $ 7,825
Produce a waste reduction video for distribution to elementary schools across the state featuring the Charlotte Hornet's star "Muggsy" Bogues.

Town of Princeville - $15,000
Establish a curbside recycling program and sorting center to process the materials collected.

Stanly County - $15,000
Purchase recycling containers to begin collection of PETE and HDPE plastic and steel cans

Town of Wallace - $15,000
Cardboard collection service was provided to business and industry within the Town of Wallace

Pasquotank and Camden Counties - $30,500
Establish a collection program for glass, newspaper, aluminum cans, and HDPE and PETE plastics for commercial, institutional, and industrial establishments in both counties

Burke County - $8,000
Develop an educational campaign targeting the elimination of contaminants in the recycling stream.

Durham, Durham County, and SunShares - $50,000
Production of "Bull Durt," a compost utilizing mixed paper waste and sludge.

Perquimans-Chowan-Gates Solid Waste Management- $45,000
Expand existing cardboard and pilot waste paper programs by constructing a 40' x 60' in-door storage/processing center and loading ramp, and purchasing a one-ton truck for collections.

Madison County and Mars Hill - $42,110
Develop a joint composting project utilizing wet food waste and mixed paper waste

Martin County and Martin Enterprises - $50,000

Establish a corrugated cardboard collection and processing site at Martin Enterprises, giving businesses in Martin County a financial incentive to recycle corrugated

Gaston County - $23,655
Expand the physical facilities of the Cornerstone Christian Center recycling site to create a multi-material residential/commercial drop-off center

Minorities in Recycling and Environmental Management - $50,000
Develop a public housing recycling project for the cities of Durham and Greensboro modeled after the successful pilot program in Durham's Fayetteville Street Housing community.

Pamlico County and Pamlico County Towns- $50,000
Begin a composting project utilizing shredded mixed paper and fish waste produced in four local counties.

Farmville - $15,000
Promote source reduction by supplying 60 households with composting bins and training in backyard composting and provide area offices, schools, and businesses with recycling bins and service for office paper.

The Scrap Exchange - $8,500
Expand its collection of clean industrial discards for its innovative reuse program.

Town of Windsor - $2,500
Purchase a recycling trailer to encourage greater participation and collection efficiencies.

Triangle J Council of Governments - $49,520
Design, construct, and equip four, permanent household hazardous waste collection facilities in Chatham, Durham, Orange, and Wake counties

Tri-County Solid Waste Management Authority - $25,900
Buy two Bobcat loaders to increase efficiencyof processing of recyclables in Cherokee and Clay counties and buy two drop-off recycling trailer sfor Graham County.

City of Wilmington - $3500
Establish a pilot drop-off program in one of its eight federally supported housing projects

Rowan County - $15,000
Purchase a used/refurbished horizontal baler to increase efficiency.

New Hanover County - $4,667
Expand and integrate its existing backyard composting programs, including the development of comprehensive curriculum for schools and assistance for school composting.

Coastal Regional Solid Waste Management Authority - $50,000
Construct a co-composting facility for a leaf and yardwaste composting project and begin a pilot leaf and yardwaste/sludge composting project.

City of Rocky Mount - $14,500
Install a mobile plastics compactor on each of its four curbside recycling vehicles.

DIVISION OF AIR QUALITY

R-82

- Attached is a table summarizing new positions added to DAQ since 1993. Also attached is a listing of the fund shifts from appropriations to receipts that occurred in July 1, 1995 in response to the fifteen position cutback imposed by the General Assembly (fourteen positions were fund shifted and one position was permanently abolished).

- The FY 1995-96 year end cash balances and projected FY 1996-97 year end cash balances are summarized below:

	2331	2333	2334	2338
FY 96	$681,819.01	$4,542,079.94	$5,626,529.90	$527,888.18
FY 97 (projected)	$351,572.00	$3,271,754.00	$2,167,228.00	$293,288.00

The receipts are utilized as follows:

2331 (non Title V permit fees) - to implement a portion of the permitting and compliance activities for non-Title V permits (not to exceed 30% of total program costs)

2333 (Title V)- to implement 100% of the permitting and compliance activities for Title V permits

2334 (fuel tax) - to supplement the non-Title V permit activities and to perform mobile source pollution reduction activities

2338 (inspection/maintenance) - for implementing mobile source activities including oversight of the I/M program, conformity determinations (ensuring new highway construction does not adversely impact air quality) and vapor recovery programs at gasoline stations.

- A state match is required for federal receipts. The federal Clean Air Act (excerpt attached) requires that the EPA Air Grant cannot exceed three-fifths of the cost of implementing programs for the prevention and control of air pollution or implementation of national primary and secondary ambient air quality standards, i.e., the state match must be at least 40% of the program cost.

  Of even more importance for the Air Quality Program is another requirement in the federal Clean Air Act - the Maintenance of Effort (MOE) Requirement. The MOE requirement is that the state's non-federal funds for recurrent expenditures for air pollution control programs in a federal fiscal year will be equal to or exceed these expenditures for the preceding federal fiscal year. This Air Grant MOE rachet mechanism is distinct from some other federal grant programs where an MOE requirement simply refers to a fixed base year.

DAQ Position History
Numbers from BRS

	Initials	Date
Prepared By	MC	3-20-97
Approved By		

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MADE IN U.S.A.

R-83

		1 Current 3-97	2 6-30-96	3 6-30-95	4 6-30-94	5 6-30-93
1	STATE - 1770	23	23	39	41 ✓	41 ✓
2						
3						
4	F/R - 1770	33	33	34	37 ✓	37 ✓
5	1775	160	154	202	139 ✓	89 ✓
6	1780	11	9	9	9 ✓	9 ✓
7	1785	49.75	43.75	—	—	— ✓
8						
9						
10	TOTAL	276.75	278.75	284	226	176
11						
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STATE OF NORTH CAROLINA PAGE 1

DEHNR-GENERAL EFFECTIVE DATE 10/31/95

R-84

BD 606 NO. 11 0191

SUBJECT FUND 1645, 1700 - FUND SHIFTS CODE 14300

SUBMITTED 12/29/95 APPROVED 02/19/96 FISCAL YEAR 1995-97

STATUS FILED ATTACHMENT YES CODES B

ACCOUNT CENTER REQUIREMENTS			**** 1995-96 ***** INCREASE	DECREASE	**** 1996-97 ***** INCREASE	DECREASE
	AIR QUALITY-PERMIT FEES					
1212	16456451	SPA-REG SALARIES		18,236		24,314
1212	16456455	SPA-REG SALARIES		903,223		1,204,298
1212	16456458	SPA-REG SALARIES		26,884		35,845
1512	16456451	SOCIAL SEC CONTR		1,395		1,860
1512	16456455	SOCIAL SEC CONTR		69,097		92,129
1512	16456458	SOCIAL SEC CONTR		2,057		2,742
1522	16456451	REG RET CONTRIB-		1,975		2,633
1522	16456455	REG RET CONTRIB-		97,819		130,425
1522	16456458	REG RET CONTRIB-		2,912		3,882
1562	16456455	MED INS CONTRIB-		49,476		65,968
1562	16456458	MED INS CONTRIB-		1,302		1,736
	AQ FUEL TAX					
1212	1700	SPA-REG SALARIES	948,343		1,264,457	
1512	1700	SOCIAL SEC CONTR	72,549		96,731	
1522	1700	REG RET CONTRIB-	102,706		136,940	
1562	1700	MED INS CONTRIB-	50,778		67,704	
*** TOTAL REQUIREMENTS			0	0	0	0
RECEIPTS						
	AIR QUALITY-PERMIT FEES					
8176	16456455	TFR FRM FUND 243		1,119,615		1,492,820
8176	16456458	TFR FRM FUND 243		33,155		44,205
8193	16456451	TFR FRM CODE 243		21,606		28,807
	AQ FUEL TAX					
8134	1700	TRANS FROM 24301	1,174,376		1,565,832	
*** TOTAL RECEIPTS			0	0	0	0

REMARKS(JUSTIFICATION):

ATTACHED IS A LIST OF POSITIONS WHICH WE REQUEST TO FUND SHIFT EFFECTIVE 10-1-95. THESE FUNDS SHIFTS ARE REQUESTED IN ORDER TO SHIFT PEOPLE INTO THE FUND FOR WHICH THEY ARE DOING WORK. THE INITIAL FUNDS FOR THE EXPANSION OF THE AIR QUALITY SECTION WERE GENERATED FROM THE CLEAN AIR ASSESSMENT FEES (OR RAMP UP FEES) CHARGED TO APPROXIMATELY 300 MAJOR INDUSTRIES IN THE STATE. WE RECEIVED APPROXIMATELY $1 MILLION, $4 MILLION AND $4 ILLION IN FISCAL YEARS 1992,1993 AND 1994 RESPECTIVELY. ALL OF THE POSITIONS THAT WERE ADDED DURING THIS PERIOD WERE FUNDED BY THESE FEES WHICH EVENTUALLY BECAME THE TITLE V FUND. IT WAS KNOWN AT THAT TIME THAT

DEHNR-GENERAL EFFECTIVE DATE 10/31/95

R-85

BD 606 NO. 11 0191

SUBJECT FUND 1645, 1700 - FUND SHIFTS CODE 14300

SUBMITTED 12/29/95 APPROVED 02/19/96 FISCAL YEAR 1995-97

STATUS FILED ATTACHMENT YES CODES B

SOME OF THE NEW POSITIONS WOULD NOT END UP DOING TITLE V WORK AND THAT SOME EXISTING POSITIONS THAT WERE NOT CURRENTLY FUNDED BY TITLE V FEES W ERE ACTUALLY DOING TITLE V WORK. THE INTENT WAS TO REQUEST A MAJOR FUND SHIFT ONCE THE SECTION WAS CLOSE TO THE END OF THEIR EXPANSION, AND AFTER THERE WAS A BETTER UNDERSTANDING OF ACTUAL TITLE V NEEDS, INSTEAD OF REQUESTING NUMEROUS SMALLER FUND SHIFTS AS CONDITIONS KEPT CHANGING. IT IS IMPERATIVE THAT ALL TITLE V WORK BE PAID FOR WITH TITLE V FEES. THE FUEL TAX FUNDS HAVE ONLY BECOME AVAILABLE AS OF 1-1-95, AND OUR MOST RECENT EXPANSION HAS UTILIZED THESE FUNDS. YOUR APPROVAL IS REQUESTED.

PREPARED BY CATHEY S COTTLE	ON	10 31	95
PASSED BY CATHEY S COTTLE	ON	10 31	95
TO SHERRILL L. HARRIS			
PASSED BY SHERRILL L. HARRIS	ON	11 2	95
TO JANE Q SMITH			
AGENCY APPROVAL ENTERED BY TERAH M COUNCILMAN	ON	11 28	95
AS AUTHORIZED BY JANE Q SMITH			
SUBMITTED BY TERAH M COUNCILMAN	ON	11 28	95
AS AUTHORIZED BY JANE Q SMITH			
RETURNED WITHOUT ACTION BY CECILIA EDGAR	ON	12 8	95
AS AUTHORIZED BY J.W. REEL			
REVISED BY CATHEY S COTTLE	ON	12 14	95
REVISED BY CATHEY S COTTLE	ON	12 14	95
PASSED BY CATHEY S COTTLE	ON	12 14	95
TO SHERRILL L. HARRIS			
AGENCY APPROVAL ENTERED BY SHERRILL L. HARRIS	ON	12 29	95
AS AUTHORIZED BY JANE Q SMITH			
SUBMITTED BY SHERRILL L. HARRIS	ON	12 29	95
AS AUTHORIZED BY JANE Q SMITH			
APPROVAL ENTERED BY CECILIA EDGAR	ON	2 19	96
AS AUTHORIZED BY J.W. REEL			
FORMATTED FOR NCAS BY TERAH M COUNCILMAN	ON	3 14	96

STATE OF NORTH CAROLINA PAGE 1

DEHNR-GENERAL EFFECTIVE DATE 07/01/95 R-86

BD 606 NO. 11 0087

SUBJECT FUND 1645, 1700 - ESTABLISH POSITIONS CODE 14300

SUBMITTED 07/24/95 APPROVED 08/25/95 FISCAL YEAR 1995-97

STATUS FILED ATTACHMENT NO CODES B

ACCOUNT CENTER REQUIREMENTS			**** 1995-96 ***** INCREASE	DECREASE	**** 1996-97 ***** INCREASE	DECREASE
AIR QUALITY-PERMIT FEES						
1212	16456455	SPA-REG SALARIES	79,408		79,408	
1512	16456455	SOCIAL SEC CONTR	6,075		6,075	
1522	16456455	REG RET CONTRIB-	8,704		8,704	
1562	16456455	MED INS CONTRIB-	3,472		3,472	
AQ FUEL TAX						
1212	1700	SPA-REG SALARIES	336,245		336,245	
1512	1700	SOCIAL SEC CONTR	25,723		25,723	
1522	1700	REG RET CONTRIB-	36,853		36,853	
1562	1700	MED INS CONTRIB-	20,832		20,832	
*** TOTAL REQUIREMENTS			517,312		517,312	
RECEIPTS						
AIR QUALITY-PERMIT FEES						
8176	16456455	TFR FRM FUND 243	97,659		97,659	
AQ FUEL TAX						
8134	1700	TRANS FROM 24301	419,653		419,653	
*** TOTAL RECEIPTS			517,312		517,312	

POSITIONS	CLASSIFICATION	POSITION NUMBER	SALARY	GRD	SCHEM	FTE
1700	1212 OFFICE ASST. III	4330 0000 0030 512	18,487	57	00403	1.00
1700	1212 ENVIR. SUPERVISOR II	4330 0000 0030 519	36,098	75	08674	1.00
1645	1212 ENVIR. ENGINEER II	4330 0000 0030 545	43,388	75	08612	1.00
1645	1212 ENVIR. ENGINEER II	4330 0000 0030 546	36,020	75	08612	1.00
1700	1212 ENVIR. ENGINEER I	4330 0000 0030 560	32,896	73	08611	1.00
1700	1212 ENVIR. ENGINEER I	4330 0000 0030 598	41,164	73	08611	1.00
1700	1212 ENVIR. TECHNICIAN V	4330 0000 0030 655	37,584	69	08652	1.00
1700	1212 ENVIR. TECHNICIAN II	4330 0000 0030 656	21,683	63	08658	1.00
1700	1212 ENVIR. TECHNICIAN II	4330 0000 0030 673	21,683	63	08658	1.00
1700	1212 ENVIR. TECHNICIAN II	4330 0000 0030 720	22,320	63	08658	1.00
1700	1212 ENVIR. TECHNICIAN V	4330 0000 0030 733	37,849	69	08652	1.00
1700	1212 ENVIR. TECHNICIAN II	4330 0000 0030 736	22,688	63	08658	1.00
1700	1212 ENVIR. TECHNICIAN II	4330 0000 0030 737	21,683	63	08658	1.00
1700	1212 ENVIR. TECHNICIAN II	4330 0000 0030 774	22,110	63	08658	1.00

REMARKS(JUSTIFICATION):

THE 1995 GENERAL ASSEMBLY MANDATED CUTS WHICH REQUIRED THAT POSITION NUMBERS

DEHNR-GENERAL EFFECTIVE DATE 07/01/95 R-87

BD 606 NO. 11 0087

SUBJECT FUND 1645, 1700 - ESTABLISH POSITIONS CODE 14300

SUBMITTED 07/24/95 APPROVED 08/25/95 FISCAL YEAR 1995-97

STATUS FILED ATTACHMENT NO CODES B

5245, 5216, 5037, 5241, 5233, 5227, 5228, 5232, 5276, 5231, 5207, 5220, 5238, AND 5246 BE FUND SHIFTED TO RECEIPTED FUNDS AND THE APPROPRIATED POSITIONS ABOLISHED. THIS REVISION WILL ESTABLISH NEW POSITIONS TO BE EFFECTIVE 7-1-95. POSITION NUMBERS 30545 AND 30546 AND BEING FUNDED FROM TITLE V MONEY WHICH IS COLLECTED IN FUND 2333 AND THE OTHER POSITIONS ARE BEING FUNDED FROM AIR QUALITY FUEL TAXES WHICH ARE COLLECTED IN FUND 2334 (CODE 24301). THESE FUNDS ARE TRANSFERRED TO THE GENERAL OPERATING FUND ON A MONTHLY BASIS TO COVER ACTUAL EXPENDITURES. YOUR APPROVAL IS REQUESTED.

PREPARED BY CATHEY S COTTLE ON 7 17 95
PASSED BY CATHEY S COTTLE ON 7 17 95
TO SHERRILL L. HARRIS
PASSED BY SHERRILL L. HARRIS ON 7 18 95
TO CATHEY S COTTLE
PASSED BY CATHEY S COTTLE ON 7 20 95
TO JANE Q SMITH
AGENCY APPROVAL ENTERED BY TERAH M COUNCILMAN ON 7 24 95
AS AUTHORIZED BY JANE Q SMITH
SUBMITTED BY TERAH M COUNCILMAN ON 7 24 95
AS AUTHORIZED BY JANE Q SMITH
APPROVAL ENTERED BY CECILIA EDGAR ON 8 25 95
AS AUTHORIZED BY J.W. REEL
FORMATTED FOR NCAS BY TERAH M COUNCILMAN ON 10 19 95
FORMATTED FOR NCAS BY TERAH M COUNCILMAN ON 10 24 95

DEHNR-GENERAL EFFECTIVE DATE 08/19/94 12-88

BD 606 NO. 11 0622

SUBJECT FUND 1645 - ESTABLISH POSITIONS CODE 14300

SUBMITTED 08/23/94 APPROVED 09/08/94 FISCAL YEAR 1994-95

STATUS FILED ATTACHMENT NO CODES R O

ACCOUNT CENTER REQUIREMENTS	**** 1993-94 ***** INCREASE	DECREASE	**** 1994-95 ***** INCREASE	DECREASE
AIR QUALITY-PERMIT FEES				
1645 1212 6452 SALARIES-STAFF-RECEI			48,114	
1645 1212 6455 SALARIES-STAFF-RECEI			747,681	
1645 1812 6452 SOC SEC CONT-RECEIPT			3,681	
1645 1812 6455 SOC SEC CONT-RECEIPT			57,198	
1645 1822 6452 RETIREMENT CONTR-REC			5,274	
1645 1822 6455 RETIREMENT CONTR-REC			81,946	
1645 1832 6452 HOSPITAL INS CONT-RE			2,604	
1645 1832 6455 HOSPITAL INS CONT-RE			44,268	
*** TOTAL REQUIREMENTS			990,766	
RECEIPTS				
AIR QUALITY-PERMIT FEES				
1645 0752 6452 TITLE V FEES			59,673	
1645 0752 6455 TITLE V FEES			931,093	
*** TOTAL RECEIPTS			990,766	

POSITIONS	CLASSIFICATION	POSITION NUMBER	SALARY	GRD	SCHEM	FTE
1645 1212	OFF. ASST. III	4305 0000 0005 050	16,622	57	00403	1.00
1645 1212	ENV. ENGINEER II	4305 0000 0005 051	34,981	75	08612	1.00
1645 1212	ENV. ENGINEER I	4305 0000 0005 064	31,947	73	08611	1.00
1645 1212	ENV. ENGINEER I	4305 0000 0005 065	31,947	73	08611	1.00
1645 1212	ENV. ENGINEER I	4305 0000 0005 066	31,947	73	08611	1.00
1645 1212	ENV. TECH. V	4305 0000 0005 067	26,946	69	08652	1.00
1645 1212	ENV. TECH. V	4305 0000 0005 068	26,946	69	08652	1.00
1645 1212	ENV. TECH. V	4305 0000 0005 069	26,946	69	08652	1.00
1645 1212	ENV. ENGINEER II	4305 0000 0005 070	34,981	75	08612	1.00
1645 1212	ENV. ENGINEER II	4305 0000 0005 071	34,981	75	08612	1.00
1645 1212	ENV. ENGINEER I	4305 0000 0005 072	31,947	73	08611	1.00
1645 1212	ENV. TECH. III	4305 0000 0005 073	22,794	65	08651	1.00
1645 1212	ENV. TECH. III	4305 0000 0005 084	22,794	65	08651	1.00
1645 1212	ENV. SPEC. II	4305 0000 0005 119	28,168	70	08839	1.00
1645 1212	ENV. ENGINEER I	4305 0000 0005 148	31,947	73	08611	1.00
1645 1212	ENV. ENGINEER II	4305 0000 0005 153	34,981	75	08612	1.00
1645 1212	ENV. ENGINEER I	4305 0000 0005 155	31,947	73	08611	1.00
1645 1212	ENV. TECH. II	4305 0000 0005 161	21,057	63	08658	1.00
1645 1212	ENV. ENGINEER II	4305 0000 0005 164	34,981	75	08612	1.00
1645 1212	ENV. ENGINEER I	4305 0000 0005 167	31,947	73	08611	1.00

[¶ 2105]

Sec. 105. GRANTS FOR SUPPORT OF AIR POLLUTION PLANNING AND CONTROL PROGRAMS

(a)(1)(A) The Administrator may make grants to air pollution control agencies, within the meaning of paragraph (1), (2), (3), (4), or (5) of section 302, in an amount up to three-fifths of the cost of implementing programs for the prevention and control of air pollution or implementation of national primary and secondary ambient air quality standards. For the purpose of this

section, "implementing" means any activity related to the planning, developing, establishing, carrying-out, improving, or maintaining of such programs.

(B) Subject to subsections (b) and (c) of this section, an air pollution control agency which receives a grant under subparagraph (A) and which contributes less than the required two-fifths minimum shall have 3 years following the date of the enactment of the Clean Air Act Amendments of 1990 in which to contribute such amount. If such an agency fails to meet and maintain this required level, the Administrator shall reduce the amount of the Federal contribution accordingly.

(C) With respect to any air quality control region or portion thereof for which there is an applicable implementation plan under section 110, grants under subparagraph (A) may be made only to air pollution control agencies which have substantial responsibilities for carrying out such applicable implementation plan.

(2) Before approving any grant under this subsection to any air pollution control agency within the meaning of sections 302(b)(2) and 302(b)(4), the Administrator shall receive assurances that such agency provides for adequate representation of appropriate State, interstate, local, and (when appropriate) international, interests in the air quality control region.

(3) Before approving any planning grant under this subsection to any air pollution control agency within the meaning of sections 302(b)(2) and 302(b)(4), the Administrator shall receive assurances that such agency has the capability of developing a comprehensive air quality plan for the air quality control region, which plan shall include (when appropriate) a recommended system of alerts to avert and reduce the risk of situations in which there may be imminent and serious danger to the public health or welfare from air pollutants and the various aspects relevant to the establishment of air quality standards for such air quality control region, including the concentration of industries, other commercial establishments, population and naturally occurring factors which shall affect such standards.

(b)(1) From the sums available for the purposes of subsection (a) of this section for any fiscal year, the Administrator shall from time to time make grants to air pollution control agencies upon such terms and conditions as the Administrator may find necessary to carry out the purpose of this section. In establishing regulations for the granting of such funds the Administrator shall, so far as practicable, give due consideration to (A) the population, (B) the extent of the actual or potential air pollution problem, and (C) the financial need of the respective agencies.

(2) Not more than 10 per centum of the total of funds appropriated or allocated for the purposes of subsection (a) of this section shall be granted for air pollution control programs in any one State. In the case of a grant for a program in an area crossing State boundaries, the Administrator shall determine the portion of such grant that is chargeable to the percentage limitation under this subsection for each State into which such

R-99

area extends. Subject to the provisions of paragraph (1) of this subsection, no State shall have made available to it for application less than one-half of 1 per centum of the annual appropriation for grants under this section for grants to agencies within such State.

(c) MAINTENANCE OF EFFORT.—(1) No agency shall receive any grant under this section during any fiscal year when its expenditures of non-Federal funds for recurrent expenditures for air pollution control programs will be less than its expenditures were for such programs during the preceding fiscal year. In order for the Administrator to award grants under this section in a timely manner each fiscal year, the Administrator shall compare an agency's prospective expenditure level to that of its second preceding fiscal year. The Administrator shall revise the current regulations which define applicable nonrecurrent and recurrent expenditures, and in so doing, give due consideration to exempting an agency from the limitations of this paragraph and subsection (a) due to periodic increases experienced by that agency from time to time in its annual expenditures for purposes acceptable to the Administrator for that fiscal year.

(2) The Administrator may still award a grant to an agency not meeting the requirements of paragraph (1) of this subsection if the Administrator, after notice and opportunity for public hearing, determines that a reduction in expenditures is attributable to a non-selective reduction in the expenditures in the programs of all Executive branch agencies of the applicable unit of Government. No agency shall receive any grant under this section with respect to the maintenance of a program for the prevention and control of air pollution unless the Administrator is satisfied that such a grant will be so used to supplement and, to the extent practicable, increase the level of State, local, or other non-Federal funds. No grants shall be made under this section until the Administrator has consulted with the appropriate official as designated by the Governor or Governors of the State or States affected.

(d) The Administrator, with the concurrence of any recipient of a grant under this section, may reduce the payments to such recipient by the amount of the pay, allowances, traveling expenses, and any other costs in connection with the detail of any officer or employee to the recipient under section 301 of this Act, when such detail is for the convenience of, and at the request of, such recipient and for the purpose of carrying out the provisions of this Act. The amount by which such payments have been reduced shall be available for payment of such costs by the Administrator, but shall, for the purpose of determining the amount of any grant to a recipient under subsection (a) of this section, be deemed to have been paid to such agency.

(e) No application by a State for a grant under this section may be disapproved by the Administrator without prior notice and opportunity for a public hearing in the affected State, and no commitment or obligation of any funds under any such grant may be revoked or reduced without prior notice and opportunity for a public hearing in the affected State (or in one of the affected States if more than one State is affected).

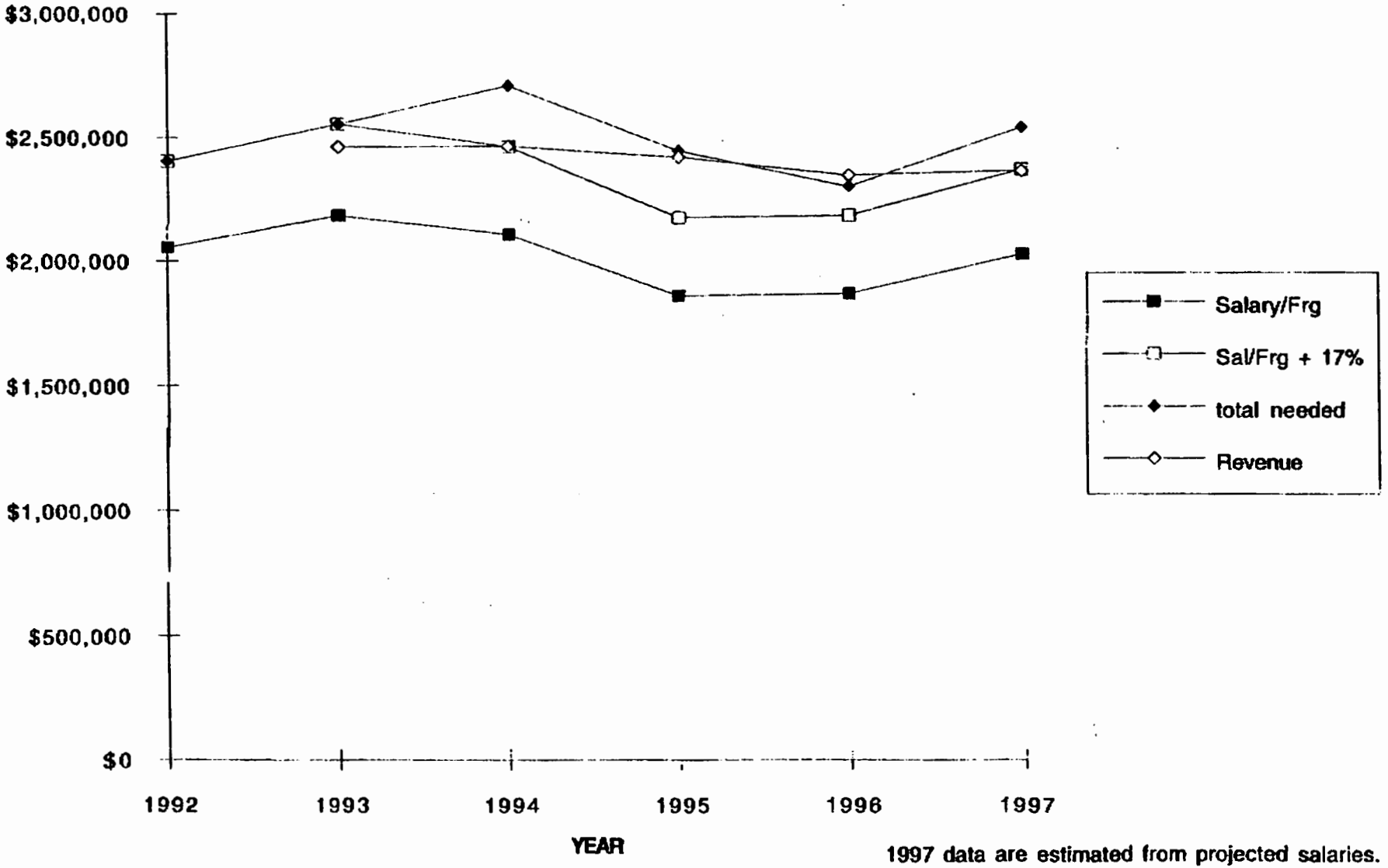
Summar[redacted]rogram Needs

EPA 106 Grant							
Year	Salary/Frg	Sal/Frg + 17%	indirect	total needed	Revenue	Over/under	
1997	$2,015,693	$2,358,361	$169,594	$2,527,955	$2,352,252	($175,703)	
1996	$1,857,937	$2,173,786	$118,267	$2,292,053	$2,337,768	$45,715	
1995	$1,851,465	$2,166,214	$269,452	$2,435,666	$2,410,794	($24,872)	
1994	$2,098,797	$2,455,592	$246,699	$2,702,291	$2,458,489	($243,802)	
1993	$2,178,762	$2,549,152		$2,549,152	$2,458,489	($90,663)	
1992	$2,055,662	$2,405,125		$2,405,125			
1991							
Const. Grants Positions							
Year	Salary Fringe	Sal/Frg+ operating		Total needed	Revenue	over/under	
	$131,453	$150,000		$150,000	$0*	($150,000)	
			*Funding for three positions was from expired Construction Grants grant.				
			No funds available after this year.				
Permit Fees							
Year	Salary/Fringe	Sal/Frg + 17%		Carry forward	Revenue	over/under	
1997	$3,245,456	$3,797,184		0	$2,100,000	($1,697,184)	
1996	$2,852,822	$3,337,802		$1,451,570	$2,649,751	($688,051)	
1995	$2,749,492	$3,216,906		$1,688,377	$2,921,365	($295,541)	
1994	$2,694,574	$3,152,652		$1,598,177	$2,586,514	($566,138)	
1993	$1,640,974	$1,919,940		$2,320,559	$2,786,205	$866,265	
1992	$1,067,384	$1,248,839		$1,848,102	$2,517,182	$1,268,343	
1991	$1,001,340	$1,171,568			$1,936,782	$765,214	
					Total needed	$2,022,887	
		Funding Shortfalls are based on projected operating cost of 17% of salary and fringe.					

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MAR 25 '97 06:08PM EHNR BUDGET & HHFL P.C/4

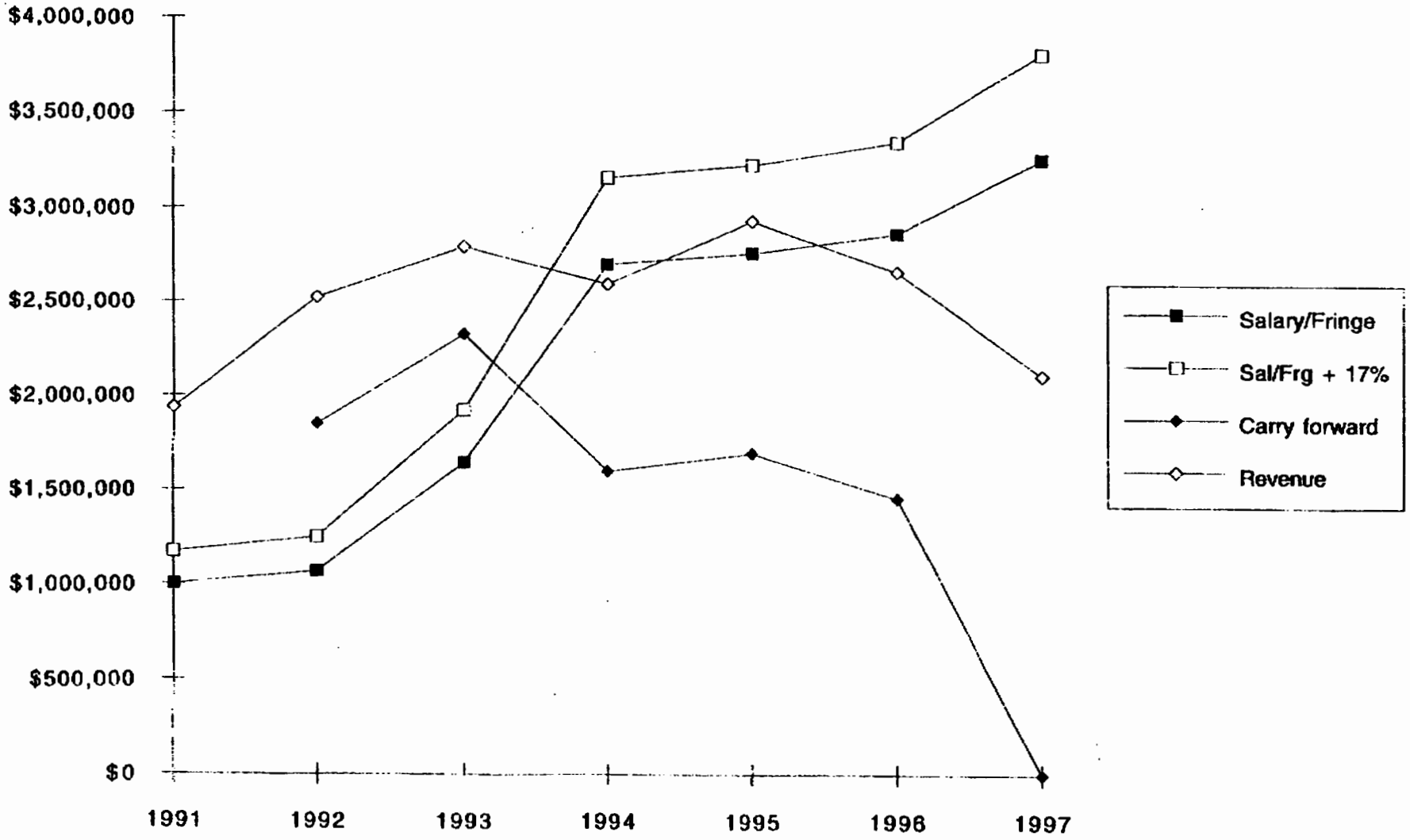
EPA 106 Grant compared to Salary/Fringe and Need



1997 data are estimated from projected salaries.

R-92

Permit Fee Revenue compared to Program Need



1997 values are based on estimates of projected salaries and fees

R-93

State of North Carolina
Department of Environment,
Health and Natural Resources
State Center for Health Statistics

James B. Hunt, Jr., Governor
Jonathan B. Howes, Secretary
Delton Atkinson, Director

R-94

DEHNR

M E M O R A N D U M

DATE: March 19, 1997

TO: Jane Q. Smith

Director, BP&A

FROM: Delton Atkinson

Director, SCHS

RE: Health Flags and Questions

CC: Dr. Ron Levine, State Health Director

In accordance with the directions contained in Shirley Bullard's e-mail of 19 March 1997, same subject, the following information is provided:

Breakdown of SCHS positions by program with the number of temporary/part-time limited positions vs. full-time permanent positions. (Enclosure 1)

Description of activities by program. (Enclosure 2)

Workload Statistics to better illustrate activities rather than the number of requests for information. (Enclosure 3)

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STATE CENTER FOR HEALTH STATISTICS
PERSONNEL BY MAJOR FUNCTIONS AND FUNDING SOURCE AS OF APRIL 1, 1997

STATISTICAL SERVICES AND ANALYSES

Number of Positions	Funding Source
12 (Full-time)	State Appropriation
10 (Time-limited)	Receipts/Grants/Contracts

CENTRAL CANCER REGISTRY

Number of Positions	Funding Source
14 (Full-time)	State Appropriation
5 (Time-limited)	Receipts/Grants/Contracts

GEOGRAPHIC ANALYSIS

Number of Positions	Funding Source
3 (Full-time)	State Appropriation
0 (Time-limited)	Receipts/Grant/Contracts

LOCAL HEALTH DEPT. MGMT. INFORMATION SECTION & STATISTICAL PROCESSING

Number of Positions	Funding Source
23 (Full-time)	State Appropriation/Contracts
7 (Time-limited)	Receipts/Grants/Contracts

VITAL RECORDS REGISTRATION AND ISSUANCE

Number of Positions	Funding Source
52 (Full time)	State Appropriation
8 (Full time)	Automation (Receipts)

DIRECTOR'S OFFICE

Number of Positions	Funding Source
4 (Full-time)	State Appropriation
1 (Full-time)	(Receipts)

PROGRAM DESCRIPTION

1. Local Health Department Management Information & Statistical Processing

The primary purposes of this section are to provide the overall administrative and technical leadership in the design, development and management of key public health information systems; to provide data processing and statistical computing support to the statistical staff and to the public health divisions of DEHNR; and to design and maintain key hardware and software infrastructure and networks with the SCHS. Among the key information systems maintained by the section are the Health Services Information System, the WIC Certification System, Restaurant Management, and the Immunization Registry. The section is divided into four branches: the Applications Development Branch, the Applications Support Branch, the Information Resources Branch and the Infrastructure Support Branch.

The section:

a. Provides project management services, including system analyses of user requirements and the assessment of these requirements against the functional capabilities of existing systems.

b. Develops the logical data models and the data flow diagrams to prototype new systems or requested modifications.

c. Designs, develops, enhances, and maintains the specialized and highly complex immunization registry system across multiple platforms.

d. Manages the inter-related networks, both the centralized IBM mainframe-based system/network for local health departments, and the client/server network for private physicians and other health providers.

e. Educates the multitude of users (both state and local) about all system changes and how best to use the enhanced system.

f. Analyzes, codes, and debugs key public health information systems, including the integration of those systems with others within and outside of public health.

2. Geographic Analysis Section

The Geographical Analysis Section uses Geographical Information Systems (GIS) computer technology to put health and environmental events in a geographic context in order to better analyze multiple variables and understand the interaction of different

factors, such as disease, population density, economic conditions, and environmental conditions. This section also is developing Desktop GIS applications to help other DEHNR divisions, local health departments and policy makers to use this powerful technology in their own planning.

3. **Vital Records Section**

The Vital Records Section is responsible for registering and maintaining official records of all births, deaths, fetal deaths, marriages and divorces in the state and for providing certified and uncertified copies of vital records and vital records information to individuals and organizations as appropriate. Organized into four major program areas, the Vital Records Section is working to achieve prompt and accurate registration of vital events (births, deaths, marriages, divorces, etc.), effective maintenance of original vital records, effective customer service, and reduced fraudulent use of vital records. Additionally, the section is attempting to implement statewide automation of vital records registration, issuance, preservation and retrieval processes. The section's major program areas are:

Administration and Accounting Program: This program processes all receipts and provides administrative support for all section operations and activities.

Fraud Detection Program: This program cooperates with local, state and federal officials to reduce the fraudulent use of vital records and to identify criminal use of vital records.

Registration, Maintenance and Customer Service Program: This program registers vital records; corrects, amends or replaces certificates when appropriate; prepares copies of vital records for customers; and secures original vital records in proper storage locations.

Field Services Program: This program trains and assists local registration personnel and resolves registration problems throughout the state.

4. **Statistical Services Section**

This section is responsible for the production, analysis, and dissemination of information on the health status, needs and problems of North Carolinians and the impact of services and programs on them. Statistical Services responds to over 6000 requests per year from all segments of North Carolina's population, produces about 10 regular publications, publishes 10 to 12 special research and evaluation studies annually, presents educational and training sessions, provides extensive data analyses and reports for DEHNR divisions and local health departments. Within this section are four branches. They are:

Health Statistics Branch: This branch manages major statistical computer files, answers many data requests requiring special computer runs, links various data files to

produce new analyses, conducts special analyses of the utilization and impact of health services on health status, and provides technical support to both data providers and users. Staff in this branch do many special analyses of the Health Services Information System (HSIS) and Medicaid paid claims data files. The branch is organized into several work teams: vital statistics, maternal and child health surveillance, health policy statistics, and breast and cervical cancer screening data management and reporting.

Health Surveillance Branch: This branch provides training and consultations and helps local health departments carry out a comprehensive biennial Community Diagnosis, assessing each county's health problems and resources. Staff also manage the Healthy People 2000 grant activities, including tracking North Carolina's progress toward meeting the Year 2000 objectives.

Survey Coordination Branch: This branch provides consultation and technical assistance to state and local public health staff on issues related to designing, carrying out, and analyzing data from special sample surveys. Staff also manage survey efforts within the SCHS. A current project putting on a series of teleconferenced presentations about survey design and data analysis, oriented to state and local public health program staff.

Information Services Branch: This branch answers the majority of statistical requests to the SCHS that do not involve special computer runs and coordinates the dissemination of the SCHS's publications. Responsibility for typesetting all SCHS publications and for providing typesetting assistance to other public health divisions also resides within this branch.

5. **Cancer Registry Section**

This section is responsible for the collection, analysis and dissemination of information on cancer diagnoses North Carolina residents. The staff of the Cancer Registry Section works closely with staff members of hospitals and out-patient medical facilities to obtain reports of cancer incidence and treatment. Much of the activity in this section is influenced by the work of researchers from the universities and research institutes in the state, as well as cancer control program staff. The section enjoys a national reputation for its research activities, notably its work involving the evaluation of cancer cluster reports.

The section produces two statistical reports and three newsletters to disperse information to its principal clients. The section is organized in a regional staffing configuration to better meet the needs of private citizens, members of the General Assembly, health department staff, hospital staff, voluntary agencies, DEHNR cancer control program staff, and researchers. In this regard, the section responds to over 2,000 requests for cancer related information each year. The section also evaluates approximately 40 cancer clusters annually, and provides some 60 educational lectures and 15-20 training sessions. The section is organized into four branches. They are:

Field Staff: These staff hold the credential Certified Tumor Registrar (CTR). Their principal role is the training and support of medical staff to provide electronic reporting of cancer incidence and treatment data. These staff also perform extensive evaluation of the timeliness and completeness of cancer reporting as two of the critical characteristics of the National Program of Cancer Registries.

Quality Management: These staff hold the CTR credential. They are the principal trainers for cancer registry professionals in the 45 state hospitals that operate cancer programs following the American College of Surgeons guidelines. They conduct assessments of the quality of data submitted to the Cancer Registry Section, as well as studies of the cancer care within the state.

Data Management: As cancer incidence and treatment data is received, this group edits these data. This is necessary because some patients receive care at more than one facility and this results in duplicate reporting. They prepare the two principal statistical reports from the section, as well as provide statistical support to clients in reporting hospitals, to county health department staff, and to local staff of the American Cancer Society.

Data Analysis: This group serves as the lead section contact for cancer control programs and researchers. These staff perform studies in the cancer database, serve on committees, and give the majority of the educational presentations. Cancer cluster evaluations are also performed by these staff and they are the lead group for the section's linkage for Geographic Information System analyses and innovative statistical methods.

The Cancer Registry Section is also quite active with many programs within DEHNR. These cross-program ties include the Advisory Committee for Cancer Coordination and Control, the Comprehensive Breast and Cervical Cancer Control Program, the Office of Epidemiology, the Super Fund Branch of Solid and Hazardous Waste, and the Section of Occupational and Environmental Epidemiology.

7. **Director's Office**

This entity is responsible for the personnel, budget, travel, procurement, and secretarial functions in support of the SCHS. It provides day to day management and oversight of the SCHS. It is also responsible for the administration of the State's Health Policy Program under a grant from the Robert Wood Johnson Foundation.

Performance Statistics

Some performance measures for the State Center for Health Statistics follow. These measures cover major functions of each section of the State Center. Measures are for state fiscal year 1995-96, unless otherwise stated.

Statistical and other requests answered by the SCHS	6,169
Number of major publications produced	10
Number of special studies completed, FY 96-97	20
Number of geographic information system projects	94
Number of cancer records processed	43,100
Number of cancer-related educational presentations	80
Number of cancer cluster reports responded to	34
Number of HSIS visit records processed	1,774,206
Amount of Medicaid dollars paid through HSIS	$ 63.5 million
Number of telephone consultations for technical assistance for users of the Health Services Information System of county health departments	3,467
Number of Health Services Information System workshops and training sessions	314
Number of copies of vital certificates provided to citizens	75,516
Number of vital certificates processed (births, deaths, marriages, divorces, and fetal deaths)	270,398
Number of data entry keystrokes	71,702,932
Total number of local health department services captured (one visit record contains 1 or more services)	4.0 million

State of North Carolina
Department of Environment,
Health and Natural Resources
Division of Maternal and Child Health

James B. Hunt, Jr., Governor
Jonathan B. Howes, Secretary
Ann F. Wolfe, M.D., M.P.H., Director

R-102

March 20, 1997

MEMORANDUM

TO: Mona Moon, Fiscal Agent
Division of Fiscal Research

THROUGH: Jane Smith, Director
Division of Budget Planning and Analysis

FROM: Kevin Ryan, MD, MPH
Chief, Women's Health Section

SUBJECT: **Information Request Concerning 1996 Reduction in Non-Medicaid Maternity Care Coordination Grant Funding**

Description of Program: Maternity Care Coordination (MCC) is an "enhancement" of traditional prenatal care which aims to ensure that all needs that could affect a pregnant woman's health, whether medical, social, educational or family support, are met. The funding in this program supports the provision of MCC to pregnant and postpartum women ineligible for Medicaid (primarily persons whose family income is greater than 185% of poverty, incarceratcd women and undocumented women). MCC remains available to all Medicaid-enrolled women.

Rationale for Reduction: Some agencies that received state funding for MCC were much more efficient providers of this service than others. Although the funding cut approved by the General Assembly reduced funding in the program by 68%, the three projects which retained funding (albeit reduced) served 72% of all the women who received services through this program.

In addition, this reduction in funding was proposed at the same time that the Division of Maternal and Child Health implemented a plan to give local health departments greater flexibility (through its block grant process) in utilizing Medicaid receipts and federal funds. It was felt that if local agencies determined that provision of MCC services to women ineligible for Medicaid was a high priority item, they would have the flexibility to budget funds to support this activity, and, in fact, in many instances this did occur. Preliminary data indicate that the agencies which received grant funding in FY 1995-96 provided MCC services to more women ineligible for Medicaid in 1996 than they did in 1995.

R-103

Agencies Receiving Funding Prior to Reduction, Funding Level, Numbers Served: see attached table.

Agencies Currently Receiving Funding Prior to Reduction, Funding Level, Numbers Served: see attached table.

Impact of the Reduction: To date there has been no reduction in service levels since local agencies have reallocated state or local funds from other program areas.

JS/KR:tlb

Attachment

NON-MEDICAID MATERNITY CARE COORDINATION

RECIPIENTS	FY 96 GRANT	Number Served CY 95 (initial)	FY 97 Grant	Number Served CY 96 (initial) *
Chatham County Health Department	$7,500	43	0	62
Cleveland County Health Department	$30,000	20	0	42
Forsyth County Health Department	$24,000	76	0	309
Hertford-Gates District Health Department	$ 4,000	9	0	8
Montgomery County Health Department	$12,000	41	0	55
Orange-Chatham Comprehensive Health Services	$15,000	83	0	N/A
Pitt County Health Department	$30,000	285	$22,600	135
Richmond County Health Department	$30,000	49	0	54
Tri-County Community Health Center	$30,000	245	$22,600	N/A
Wake County Health Department	$45,000	445	$33,900	437
Wilkes County Health Department	$15,000	38	0	37
Toe River District Health Department	$ 7,500	12	0	25
TOTAL FUNDING	$250,000	N/A	$79,100	N/A

*: Grant funding reduced or eliminated for last six months of CY 1996.

R-104

R-105

March 20, 1997

To: Jane Smith, Director
DEHNR Budget, Planning and Analysis

THROUGH: Ronald H. Levine, MD, MPH
State Health Director

FROM: Lou F. Turner, DrPH, Director
State Laboratory of Public Health

SUBJECT: Response to NER flags on Health Divisions: STATE LABORATORY

Listed below are some of the reasons for justifying the increases in the supply budget for the State Laboratory. If you need more specific information, please contact me at (919) 733-7834.

INFLATION:
Inflation alone accounts for at least a ten percent increase each year based on historical data. The other indicators noted are in addition to general inflation costs.

GENERAL:
- Six percent tax added to all purchases
- Shipping costs from vendors
- Handling fees from some vendors
- Increased prices for: reagents, stains, chemicals, paper, mailing containers, general supplies - tubes, gloves, pipettes, pipette tips, etc. (this can be a very extensive list). We use over 400 different vendors.
- State Contracts - some vendors may be added or substituted on contract list. These vendors sometimes have higher prices than previously used vendors.

FEDERAL MANDATES:
Since the mid-1980's, a number of federal regulations have been implemented which have impacted the Laboratory's daily operation and added dramatically to the cost of performing tests. Listed are the major regulations and some of the resulting impacts.

- Clinical Laboratory Improvement Amendments of 1988 (CLIA): this regulation deals with the implementation of enhanced quality assurance activities within clinical laboratories. Increased costs can be attributed to running more quality control samples, enhanced record keeping, increased quality checks of equipment and instrumentation, costs for proficiency testing materials, and costs for competency training of our employees, etc. We also assist 48 Local Health Departments in meeting these requirements and incur those costs.

- Occupational Exposure to Bloodborne Pathogens/Universal Precautions: this regulation indicates that employers must reduce, by specified requirements, an employee's exposure to bloodborne pathogens from bodily fluids. Since the majority of our specimens fit this category, some of the items we must provide include: personal protective "equipment" such as masks, gloves, coats, gowns; Hepatitis B vaccine to employees at risk; expensive pipetting devices; proper level of biological safety cabinets; special containers for disposal of waste; special warning labels; and routine safety training. One hundred of the 183 employees are classified as "at risk" under this regulation..

FEDERAL MANDATES (continued):

- Hazard Communication Standard/Chemical Hygiene Plan: this regulation specifies that employers must define a plan which minimizes personnel and environmental exposures to hazardous chemicals in the laboratory. This includes providing training, personal protective equipment, chemical spill kits, warning labels, hazardous waste disposal containers and removal, etc.

Recently the US Postal Service had regulations passed regarding the shipment of dried blood spots for Newborn Screening tests. The new law will require laboratories to provide an impervious, waterproof container for specimens being sent via US Postal service. The most reasonable solution proposed is for laboratories to provide Tyvek envelopes for their users (hospitals and physicians) to ensure uniform compliance. This regulation goes into effect this summer. This cost will be approximately $10-12,000 per year for our current workload. These are considered specimen shipping containers (supplies).

WORKLOAD INCREASES:

- Continued growth in testing volumes (examples: rabies, syphilis, HIV, Pap smears, TB, environmental lead)

- Unpredictable increases due to outbreaks (examples: rabies, rubella, foodborne or daycare outbreaks of shigella or E. coli, pertussis)

- Additions of new tests (example: blood lead, expansion to universal sickle cell screening)

- Changes in the marketplace (examples: increased testing of wells near intensive livestock operations, early discharge of newborns resulting in repeat testing)

TECHNOLOGY CHANGES:

In order to provide the best services to our clients, it is imperative that we consider newer technologies. Using new technologies usually means we can automate some of our tests which improves our service by providing quicker turn-around time for results, better test results and the ability to process more specimens with current workforce. Automation often requires the use of proprietary equipment and reagents which may be more expensive to use. Examples include: new test for coliform detection in water samples, use of molecular biology technology for infectious disease detection, newer procedure for enhanced isolation of mycobacteria (TB), and newer technology to identify all mycobacteria (including TB).

State of North Carolina
Department of Environment,
Health and Natural Resources
Division of Forest Resources

James B. Hunt, Jr., Governor
Jonathan B. Howes, Secretary
Stanford M. Adams, Director

R-108

March 20, 1997

MEMORANDUM

TO: Jane Smith

FROM: Stan Adams

SUBJECT: Privatization of Services

This is in response to the request of Fiscal Research for the Division of Forest Resources to "Research other states to see if they have privatized any forestry functions, and if so how the program works."

In the interest of time, we canvassed as many Southern States as possible and received the following information.

Mississippi, South Carolina, Kentucky, Florida, Alabama, and Louisiana

No privatization underway

Georgia

- Georgia Forestry Commission has experimented with privatizing their Air Detection Program in the Northern half of the state (traditionally least fire problem). They did not attempt to privatize the entire state at one time in the event that the venture would be unsuccessful. This experiment began approximately eight months ago; to date, the fire situation has not been very severe so the project has not been tested under stress conditions.

- Two years ago, the Governor of Georgia established a group of private business people to evaluate the privatization of the states forest seedling nursery. After detailed study, the group unanimously recommended that the state needs to stay in the forest seedling production business.

- Their Auto Mechanic Shop at state headquarters has been privatized since April, 1996 and appears to be working well, but with an increase in costs. In North Carolina the State Central Office relies totally on Motor Fleet Management vehicles and their maintenance.

Virginia

- Virginia has not privatized total programs, but contract many forestry services and administrative functions, as does North Carolina (detailed further in this memo).

Arkansas

- Some time ago, Arkansas privatized their entire Aviation Program. According to the State Forester, it was a dreadful mistake and a dismal failure from the beginning. Privatization meant little or no aerial detection for fires and Southern Pine Beetle infestations. Fires went completely undetected with significant acreage burning as a result. SPB infestations grew in size before being detected as a result of no aerial detection. Additionally, contracting aerial detection was extremely expensive; but, more importantly, contract aircraft for state use was hard to get because other outside uses were more lucrative for vendors. Public outcry demanded change . The General Assembly, now in session in Arkansas, has authorized the State Forester to begin hiring pilots and purchasing aircraft. They are starting over at a tremendous cost.

- Arkansas privatizes the growing of pine seedlings. Worked ok for them for a couple of years. They received only two bidders and now one will not bid again, as Weyerhaeuser is only growing seedlings for their own use. International Paper Company is left as sole source. The State Forester is concerned with only one bidder, as well as, feels that International has a limit to what they can grow. Arkansas feels that they will pretty soon be back to growing pine seedlings.

North Carolina

North Carolina does not privatize full programs with which we are charged in carrying out our mandates and mission "to develop, protect, and manage the multiple resources of North Carolina's forests." However, there are some forestry services the state does not provide because they are handled by private consulting foresters.

Also, in an effort to be as efficient and effective as possible, we do contract out many services that can and should be done by the private sector. Many are listed below and are categorized as Forestry and Other Services:

<u>Forestry Services</u>

- Consulting Foresters
  - Cruise Timber
  - Timber Marking
  - Timber Sales
  - Stewardship Plans

- Tree Planting
- Herbicide Application
- Site Preparation and Related Fire Breaks
- Prescribed Burning
- Timber Stand Improvement
- Issue Burning Permits
- VFD Training - Community College System
- Maintenance of Civilian/FAA Certified A/C
- Packing of Seedlings at Goldsboro Forestry Seedling Nursery
- Contract Pine Straw Raking at Bladen Lakes State Forest
- Contract Tree Planting at BLSF
- Construction and Renovation

- Hurricane Recovery
  - Fire Breaks
  - Administration of Recovery Field Work
  - Public Education Campaign

Other Services

- Installation of Communication Equipment
- Installation of Wide Area Network
- Computer Training
- Janitorial Services
- Bulk Mailing
- Large Air Tankers (We do not contract large air tankers at present , but did until budget cuts forced us to stop.)

Additional Comments

The U.S. Air Force at the Dare County Bomb Range entered into a contractual fire suppression and presuppression agreement with the North Carolina Division of Forest Resources over 30 years ago to protect their 46,000 acre area. Several times since then they have attempted to solicit private bids for this same service. Each time they have determined that there is no feasible way for a private vendor to provide wildfire protection as effectively and efficiently as the state of North Carolina does.

The only total privatization of a government forestry program occurred approximately 10 years ago in New Zealand. After 6 years it was recognized that this did not work and a new government forestry agency was reestablished to again provide the services needed.

R-111

DIVISION OF PARKS AND RECREATION

March 20, 1997

MEMORANDUM:

TO: Jane Smith, Director
Division of Budget, Planning, and Analysis

FROM: Phil McKnelly

SUBJECT: NER Questions and Flagged Items - State Parks

REFERENCE: Provide update on cleanup and repair schedule throughout budget review. Might be helpful to provide committee with list of parks affected and specific problems as well as estimate of damage cleanup and repair costs. Should be prepared to provide subsequent updates over next couple of months.

Disaster Survey Reports (DSR's) for facility repair and replacement projects have now been completed by the Federal Emergency Management Administration (FEMA), the Division of Emergency Management (DEM), and the Division of Parks and Recreation (DPR) for most parks. These reports include the scope of work to be accomplished and the estimated cost for each project. Many DSR's, however, are in "suspension" with FEMA and DEM pending insurance settlements. DSR's for Hammocks Beach, Goose Creek, Fort Fisher, Morrow Mountain, and Lumber River are currently being reviewed by DEM.

FEMA will cover 90% of the repair or replacement costs once those costs have been determined. The State will be responsible for the remainder of the funds. The Office of State Budget and Management (OSBM) has reserved $1,000,000 to match the DPR's share of the cost.

To date 218 DSR's have been prepared. DPR and FEMA are a considerable distance apart in the cost estimates in these DSR's. The total cost estimates included in the FEMA documents is $2,145,109; of this amount $1,865,859 is eligible for reimbursement by FEMA. The division estimates the total cost to be $8,763,638. To date DPR has received $273,351 from FEMA. FEMA, DEM, and DPR staff are currently reviewing the DSR's in an effort to reach agreement on the cost of repairs to be completed in the parks.

The areas of greatest disagreement include replacement of the bathhouse at Hammocks Beach and shoreline erosion at Kerr Lake. At Hammocks Beach the bathhouse on Bear Island was located behind the primary dune until Hurricane Fran destroyed that dune and seriously damaged the bathhouse. FEMA estimates cover the cost of repairing the damaged bathhouse in its current location, while DPR estimates reflect the need to relocate a new bathhouse behind the next dune to provide a degree of protection from future storms. The shoreline at Kerr Lake has

experienced erosion for years due to the changing lake elevations required to provide flood control for areas downstream from the reservoir. Hurricane Fran caused significant additional damage to the shoreline of Kerr Lake. DPR has proposed that the FEMA provision for mitigation of future damage be use to stabilize the shoreline at Kerr Lake, while FEMA has denied that request.

Debris removal is scheduled to begin on Monday, March 24, 1997 in the following parks:

Cliffs of the Neuse	Lumber River
Falls Lake	Morrow Mountain
Jordan Lake	Raven Rock
Kerr Lake	William B. Umstead.

These projects should be completed within thirty days from the starting date.

If you have any questions or need additional information, please let me know.

State of North Carolina
Department of Environment,
Health and Natural Resources
Division of Budget, Planning & Analysis

James B. Hunt, Jr., Governor
Jonathan B. Howes, Secretary
Jane Q. Smith, Director

12-113

March 17, 1997

TO: Mona Moon
Fiscal Analyst

FROM: Jane Smith

RE: Information from Division of Soil and Water

Attached is information provided by the Division of Soil and Water in response to questions from the Committee during its discussions of the Division's budget. Please contact me if additional information is required.

JQS/

Attachment

cc: Henry Lancaster
Richard Rogers
J.W. Reel

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R-114

NORTH CAROLINA AGRICULTURE COST SHARE PROGRAM
SOIL AND WATER CONSERVATION DISTRICTS

BMP LOG SUMMARY REPORT - As of 03/03/97

Number of Agreements	23,474	
Acres Affected	1,301,203	
Acres - Erosion Control	427,756	
Tons of Soil Saved	4,045,455	

EROSION/NUTRIENT CONTROL BMP'S	ACRES	
Sod-Based Rotation	41,927	
Cropland Conversion	74,768	
Conservation Tillage	320,016	
Critical Area Planting	1,906	
Stripcropping	21,154	
Terraces/Diversions	4,164,104	(Ft.)
Long Term NoTill	3,197	

ANIMAL WASTE MANAGEMENT		
Structures	1,210	(#)
Storage Capacity	1,034,025,231	(Gallons)
	65,808	(Tons)
Storage Capacity - Nitrogen	39,152,787	(Lb.)
Phosphorus	23,116,778	(Lb.)
Aquaculture Systems	3	(#)
Composters	369	(#)
Loafing Lot	3	(#)
Abandoned CAO	29	(#)
Solid Set Systems	236	(#)
Hydrants	184	(#)
Mobile Irrigation Systems	116	(#)
Waste Application - Liquid	957,229,348	(Gallons)
Litter Application - Poultry	863,252	(Tons)
Acres Applied	223,457	
Nitrogen Applied	48,097,427	(Lb.)
Phosphorus	49,091,221	(Lb.)

SEDIMENT/NUTRIENT CONTROL BMP's		
Grassed Waterways	5,828	
Field Borders and Filter Strips	6,097	
Water Control Structures	2,964	(#)
Grade Stabilization Structures	626	(#)
Sediment Basins	10	(#)
Stream Protection Systems	5,544	(#)
Livestock Exclusion	2,997,070	(Ft.)

OTHER		
Retrofits	75	(#)
Agri-Chemical Handling Facilities	60	(#)
Stormwater Management Systems	68	(#)
Nutrient Management	16,142	(Acres)

ALLOCATION PROCESS
NORTH CAROLINA AGRICULTURAL COST SHARE FUNDS

- Funds are allocated by the Division of Soil and Water Conservation to the local Soil and Water Conservation Districts in the state.

- Funds are allocated on an annual basis to the Districts.

- Each Soil and Water Conservation District submits an annual strategy plan (see attachment 1) including a Parameter Form (see attachment 2) which details the priorities and needs in the District for the coming year. Strategy plans are due by July 1 to the Division office in Raleigh.

- The 10 Cost Share parameters (see attachment 3) which guide the allocation process were adopted by the North Carolina Soil and Water Conservation Commission. Parameters 1-4 indicate the level of agricultural activity within the District and the District's priorities. Parameters 5-7 recognize areas of state and federal concern. Parameter 8 measures technical assistance availability within the District. Parameters 9 and 10 measure the successful application of the program in the past within the District.

- Information from the strategy plan including the Parameter Form is used to assign each District a series of ranking points. The total of these ranking points determines what percentage of the cost share funds available for the upcoming program year each District is entitled to receive.

- Special funds such as Animal Waste, Small Family Farm and Neuse Basin are allocated in the much the same manner with any additional restrictions applied which govern the particular fund. (i.e. Neuse Basin funds are allocated only to Districts in the Neuse River Basin and must be used by the Districts only for .0200 animal operations located in the Neuse Basin.)

R-116

PROPOSED STRATEGY PLAN OUTLINE

(Effective Beginning Program Year 1998)

Each Soil and Water Conservation District prepares an Annual Strategy Plan for submission to the Division by July 1.

Each Strategy Plan should follow the recommended format listed below.

1. Description of over-all agricultural activities (examples: Fran repairs, 0200 operations, non-0200 operations, etc.)

2. Description of written prioritization process. Include any District forms developed to facilitate prioritization.

3. The completed Parameters Form (NC-ACSP-A98) for type of funds applicable to the District (regular cost share, legislated animal waste or specific basin funds). The District should include an explanation of any changes they are requesting to the Parameter data provided to the District by the Division. Most of the data the District is asked to provide will require an inventory of agricultural needs based on cost share eligibility.

4. Narrative of cost share funding request.

5. Narrative of technical assistance budget request.

(NCACSP-A98)
02/97

R-117

North Carolina Agriculture Cost Share Program
Parameter Data For Allocation Process For Regular Cost Share BMP Funds

District: _____ Program Year: _____

Fund Source(s): _____ Dollars Requesting: _____

_____ _____

_____ _____

Parameters:

		DIVISION	DISTRICT
I.	Number of acres of agricultural land located in District (includes cropland, hayland and pastureland, but does not include nurseryland, fruit orchards or Christmas tree acres)	_____	_____
	If applicable indicate number of acres of nurseryland, fruit orchards and/or Christmas tree acres		_____
II.	Number of acres of cultivated cropland located in District (does not include nurseryland, fruit orchards or Christmas tree acres)	_____	_____

III. Number of ***cost share eligible***, confined animal operations which have animal waste system needs (type and number of animals) located in the District. Data supplied by the District.

Type animal	Total # CAOs	Number Animals	Number .0200 CAOs	Number Animals
Dairy/Beef	____	_____	_____	_____
Swine	____	_____	_____	_____
Poultry	____	_____	_____	_____
Other	____	_____	_____	_____

12-118

IV. Number of ***cost share eligible*** stream protection systems needed in District _____

	DIVISION	DISTRICT
V. Number ***cost share eligible*** acres in District needing water control structures		_____

VI. Number of miles of less than fully supporting surface water located in District _____

Percentage of total District acres classified as ag land — Division Computation

VII. Number of ag acres in District which drain into PNA, ORW, HQW, Trout, Shellfishing and Critical Water Supply watersheds — Division Computation

VIII. Technical Assistance: measure of available technical assistance to plan and install BMPs

District Projection of Availibility (By positions)	District Percentage
Cost Share Tech	_____
NRCS Soil Conservationist	_____
NRCS Engineer	_____
Division Engineer	_____
NRCS District Conservationist	_____
Other	_____

District average availibility by NRCS Area — Division Computation

IX. Measure of District success in completing installation of cost shared BMPs: — Division Source

X. Measure of technical assistance needs to complete BMPs already encumbered in past years CPOs — Division Source

Perpared by: _____

Completed form must be received by the Division no later than July 1.

Agriculture Cost Share Program
Division of Soil and Water Conservation
Post Office Box 27687
Raleigh, North Carolina 27611-7687

Allocation Parameters for PY 98

1. Number of acres of agricultural land in the District (includes cropland, hayland, and pasture land). Source: current Ag Stats.

2. Number of acres of cultivated cropland in the District. Source: current Ag Stats.

3. Number of confined animal operations and number of animals by type that are Cost Share eligible in the District. Source: District

4. Number of stream protection systems needed by agricultural operations that are Cost Share eligible. Source: District

5. Number of Cost Share eligible acres needing water control structures in the District. Source: District

6. Number of miles of total surface water identified as less than fully supporting due to agricultural nonpoint source pollution. Source: DWQ and District

7. Percentage of county draining to PNA, ORW, HQW, Trout, Shellfishing and Critical Water Supply watersheds. Source: DWQ.

8. Technical Assistance: a measure of how much technical assistance is available to plan and install BMPs based on historical averages and District projection. Source: District and NCACSP database

9. Three year average of BMP Cost Share funds paid out. Source: NCACSP database

10. Cumulative BMP Cost Share funds outstanding: measure of technical assistance needed to complete existing contracts. Source: NCACSP database

State of North Carolina
Department of Environment,
Health and Natural Resources
Division of Radiation Protection

James B. Hunt, Jr., Governor
Jonathan B. Howes, Secretary
Dayne H. Brown, Director

File 97-99 Budg

R-120

M E M O R A N D U M

TO: Jane Smith

FROM: Mel Fry

SUBJECT: Fiscal Research Information

DATE: March 19, 1997

1. Who pays what fees into DRP; and do the fees pay the inspection costs?

Attached is the schedule of fees as adopted by DEHNR and charged to the categories of registrants and licensees as shown.

The total Radioactive Material Program costs for 1995-96 were $420,015. That total includes the total costs associated with license application review, license issuance, inspection, enforcement, incident response and other radioactive material licensing activities. 45% of that total program is estimated to be related to inspection and enforcement. ($420,015 x 45% = $189,007) The radioactive material licensees paid $167,010 in fees, covering 88% of the actual inspection and enforcement costs of this program. The remainder of the total costs of this program are paid with General Fund money.

The total X-Ray Program costs for 1995-96 were $587,196. That total includes all of the registration, investigation, inspection, enforcement and related work in the x-ray program. 85% of that total x-ray program cost is estimated to be related to inspection and enforcement. ($587,196 x 85% = 499,117) The x-ray registrants paid $501,031 in fees, covering 100% of the actual inspection and enforcement costs of this program. The remainder of the total costs of this program are paid with General Fund money.

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(e) Each licensee or registrant shall pay all fees by check or money order made payable to "Division of Radiation Protection" and mail such payment to: Division of Radiation Protection, North Carolina Department of Environment, Health, and Natural Resources, P. O. Box 27687, Raleigh, North Carolina 27611-7687. Such payment may be delivered to the agency at its office located at 3825 Barrett Drive, Raleigh, North Carolina 27609-7221.

History Note: Statutory Authority G.S. 104E-9(8); 104E-19(a);
Eff. July 1, 1982;
Amended Eff. May 1, 1993; May 1, 1992; July 1, 1989.

.1103 NOTICES OF PAYMENT DUE

Within five days after the due dates established in Paragraphs (a) and (b) of Rule .1102 of this Section, the agency shall mail to each licensee and registrant, who has not already submitted payment, a notice which indicates the due date, delinquent date and the amount of fees due.

History Note: Statutory Authority G.S. 104E-9(8); 104E-19(a);
Eff. July 1, 1982;
Amended Eff. May 1, 1993.

.1104 DELINQUENT AND UNCOLLECTIBLE FEES

(a) Payment of fees established in this Section shall be delinquent, if not received by the agency within 60 days after the due date specified in Paragraphs (a) and (b) of Rule .1102 of this Section.

(b) If a licensee or registrant remits a fee in the form of a check or other instrument which is uncollectible from the paying institution, the agency shall notify the licensee or registrant by certified mail and allow the licensee or registrant 15 days to correct the matter.

(c) If payment of fees is uncollectible from the paying institution or not submitted to the agency by the delinquent date, the agency may institute appropriate legal action to collect.

History Note: Statutory Authority G.S. 104E-9(8); 104E-19(a);
Eff. July 1, 1982;
Amended Eff. May 1, 1993.

.1105 FEE AMOUNTS

(a) Annual fees for persons registered pursuant to provisions of Section .0200 of this Chapter are as listed in the following table:

Type of registered facility	Letters appearing in registration number	Facility plus first X-ray tube	Each additional X-ray Tube to a maximum of 40 additional X-ray tubes

Clinics	A	$ 70.00	$ 12.50
Chiropractors	C	$ 70.00	$ 12.50
Dentists	D	$ 70.00	$ 12.50
Educational	E	$ 50.00	$ 10.00
Government	G	$ 50.00	$ 10.00
Podiatrists	H	$ 70.00	$ 12.50
Industrial	I	$ 70.00	$ 12.50
Industrial Medical	IM	$100.00	$ 17.50
Health Departments	L	$100.00	$ 17.50
Hospitals	M	$150.00	$ 22.50
Physicians	P	$ 70.00	$ 12.50
Industrial Radiography	R	$150.00	$ 22.50
Services	S	$100.00	$ 0.00
Veterinarians	V	$ 50.00	$ 10.00
Other	Z	$ 70.00	$ 12.50

(b) Annual fees for persons licensed pursuant to provisions of Section .0300 of this Chapter are as listed in the following table:

Type of Radioactive Material License	Annual Fee
Specific license of broad scope	
-medical or academic	$ 925.00
-other	$ 325.00
Specific license	
-industrial radiography (with temporary subsites)	$1,175.00
-industrial radiography (in plant only)	$ 600.00
-manufacture or distribution	$ 325.00
-medical institution other than teletherapy	$ 275.00
-medical private practice	$ 200.00
-medical teletherapy with one teletherapy unit and	$ 225.00
-each additional teletherapy unit	$ 50.00
-industrial gauges	$ 175.00
-moisture-density gauges	$ 75.00
-gas chromatographs	$ 75.00
-educational institutions	$ 275.00
-services/consultants	$ 75.00
-other	$ 125.00
General licenses	
-industrial gauges	$ 75.00
-IN VITRO testing and others	$ 75.00

(c) Annual fees for persons licensed pursuant to provisions of Section .0900 of this Chapter are as listed in the following table:

Description of Fee	Annual Fee
-Facility with one accelerator	$225.00

2. How much radioactivity is proposed to be disposed of in the Low-Level Radioactive Waste Disposal Facility; and what does that amount compare to in understandable terms?

In the radioactive material license application filed by Chem Nuclear Systems, Inc., the applicant proposed to dispose of 713,000 curies of radioactivity; primarily cobalt-60 (308,000 Ci), nickel-63 (109,000 Ci) and iron-55 (101,000 Ci); with slightly lesser amounts of hydrogen-3 [tritium] (64,100 Ci), cesium-137 (50,600 Ci) and barium-137m (47,800 Ci); and a wide variety of other radioisotopes in smaller quantities. This amount of radioactivity contained in the waste is estimated base on the amount of waste generated in the eight states then in the Southeast Compact over the projected 20 year life of the proposed facility. Of the total amount of radioactivity contained in the waste, approximately 20% is estimated to be generated by licensees in North Carolina.

For comparison, there are typically 2,000,000 curies of cobalt-60 in a single product sterilization facility (three of which are located in North Carolina) where various products are irradiated to sterilize the products placed into the radiation field. There are approximately 2,500 curies of cobalt-60 in a cancer treatment teletherapy unit used to treat cancer patients to destroy cancerous tumor cells. Self luminous exit signs each typically contain 20 curies of tritium; whereas, a self luminous wrist watch might contain 0.2 curies of tritium.

In contrast, while not allowed to be disposed of in this facility, one spent nuclear fuel element, out of approximately 150 such elements in a typical reactor, might contain as many as 285,000 curies of mixed fission products as high-level radioactive waste. Such a fuel element and all such high-level radioactive waste must be disposed of in a yet to be selected, designed and constructed Federal high-level radioactive waste disposal facility.

While the amount of radioactivity discussed above will be placed within the disposal facility, the waste buried in the proposed facility must be shielded and contained so that anyone living at the boundary of the facility cannot be exposed to any more than 25 millirem in any one year coming from the facility. This regulatory limit is not quite a 10% increase over the natural background radiation level of 300 millirem per year at the edge of the facility.

I hope this is a clearer explanation of the issues raised. Please let me know if any further clarification or additional information is needed.

cc: Linda Rimer
Sherrill Harris
Richard Whisnant

Coastal Management

1. Provide more information about federal receipts and matching requirements.

Division of Coastal Management (DCM) receives two recurring federal grants from NOAA-- one for the core operation of the NC Coastal Management Program and one for operation and maintenance of the NC National Estuarine Research Reserve. In recent years, DCM has been successful in being awarded a number of other federal grants from various sources to help develop program improvements. The following is a breakdown of federal grants for FY 96-97.

Current Federal Grant Awards and the required State Matching Requirement for drawing these funds:

Grant Number	Grant Source	Grant Total	Federal Requirement	Federal %	State Requirement	State %
NA67OZ0315	CZMA/NOAA	3,874,000	2,097,000	54%	1,777,000	46%
A57OZ0498	CZMA/NOAA	1,484,273	868,364	59%	615,909	41%
NA47OR0274	NERR/NOAA	178,571	125,000	70%	53,571	30%
NA67OR0348	NERR/NOAA	24,923	24,923	100%	0	0%
NA57OR0403	NERR/NOAA	13,205	8,919	68%	4,286	32%
X994548-94-0	EPA	36,418	36,418	100%	0	0%
NA570Z0485	NOAA	327,360	327,360	100%	0	0%
NA57OR0402	NOAA	14,286	10,000	70%	4,286	30%
CD994678-95-0	EPA	171,489	126,000	73%	45,489	27%
NA47OZ0277	NOAA	476,152	476,152	100%	0	0%
EMW-96-CA-0085	FEMA	120,000	120,000	100%	0	0%
		6,720,677	4,220,136	63%	2,500,541	37%

2. Explain jump in statistic on handout page EHNR 158 from 4,000 to 13,808 for performance measure relating to number of persons participating in organized educational experiences at coastal reserves.

The reason for the jump was that the number included people visiting Coastal Reserve booth at the Seafood Festival in Beaufort. In retrospect, DCM has decided not to include those people even thought most of the visitors do receive educational information about the program and its mission. The figure for FY 95-96 should be changed to 4,808.

3. Provide list of universities with whom the division works.

DCM currently has contracts with University of North Carolina at Wilmington, North Carolina State University and East Carolina University. In the past, DCM has also worked on a number of projects with Univ. of North Carolina Chapel Hill and Duke University.

State of North Carolina
Department of Environment,
Health and Natural Resources
Division of Water Resources

James B. Hunt, Jr., Governor
Jonathan B. Howes, Secretary
John N. Morris, Director

R-126

DEHNR

March 19, 1997



MEMORANDUM

TO: Jane Smith

FROM: John Morris

SUBJECT: Information Requested by the General Assembly

Mona Moon requested information on two items related to the Division of Water Resources.

1) ***Fees*** - The Division of Water Resources receives a $50 fee for registrations of surface or ground water withdrawals exceeding 1 mgd. Fees received from this requirement totaled about $3,000 over a period of 2 years after the registration statute was enacted. The fees were used toward setting up a storage and retrieval system for the water use registration data, which is valuable for water supply and water management planning. Because registration is a one time requirement and large new water withdrawals do not come on line frequently, this program will not be a significant continuing source of receipts for the Division.

2) ***Jordan Lake Water Supply Allocation*** - The questions asked about water supply allocation at Jordan Lake are answered in the attached fact sheet and report.

JM/td

Attachment

cc: Linda Rimer

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State of North Carolina
Department of Environment,
Health and Natural Resources
Division of Water Resources

James B. Hunt, Jr., Governor
Jonathan B. Howes, Secretary
John N. Morris, Director

R-127

March 19, 1997

Status of Jordan Lake Water Supply Storage Allocations

A copy of the report *Jordan Lake Water Supply Storage Allocation Recommendations* has been attached to this information summary. The report provides the details on both the existing and proposed future water supply allocations from Jordan Lake.

- Table I on page i and Table 1 on page 5 provide information on the existing allocations.
- Table I on page i and Table 2 on page 10 provide information on the recommended allocations.
- Figure 1 on page 2 is a summary of the allocation and interbasin transfer certification process.

Jordan Lake is designed to provide 100 million gallons per day (MGD) for water supply. DWR's recommendations for allocation total only 42.5 MGD. No adverse effects are anticipated from this amount of withdrawals.

The allocations involving interbasin transfer of 2 MGD or more will be carefully evaluated under G.S. §143-215.22G *Regulation of Surface Water Transfers*, including modeling of the hydrologic effects, preparation of an Environmental Impact Statement, and a public hearing. Figure 1 on page 2 outlines this evaluation process.

For additional information, contact either John Morris at 715-5422 or Tom Fransen at 715-0381.

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EXECUTIVE SUMMARY

R-128

The State of North Carolina has been assigned the use of the entire water supply storage in B. Everett Jordan Lake and, under G.S. 143-354(a)(11), can assign this storage to any local government having a need for water supply storage. Administrative rule T15A: 02G .0500 describes the specific procedures to be used in allocating the Jordan Lake water supply storage. The two main criteria for Jordan Lake water supply allocations are future water needs and availability of alternative water supplies. Also, the administrative rule requires the Environmental Management Commission to coordinate the review of any allocation requests with the certification of any interbasin transfers that maybe required.

The Division of Water Resources received a request to open the allocation process from the Towns of Apex and Cary in May 1996, for an increase in their existing water supply storage allocation in Jordan Lake. This is the first time since the initial allocation in 1988 that the allocation process has been opened. When such requests are received, it is Division policy to open the allocation process to anyone interested in either obtaining a new allocation or an increase in an existing allocation.

When the initial allocations of water supply from Jordan Lake were made in 1988, 42 percent of the water supply pool was allocated; however, some original allocation holders have since released their allocations. Currently, 33 million gallons per day (MGD) of the 100 MGD water supply pool is allocated as shown in Table I. Note that allocations are actually a percentage of the water supply pool and not a rate of withdrawal. However, for convenience in this report allocations will be expressed in MGD, since 100 percent of water supply storage has an estimated safe yield of 100 MGD.

Table I. Water Supply Allocation Recommendations

Applicant	Current Allocations (MGD)		Applicant Requests (MGD)		Division of Water Resources Recommendation (MGD)	
	Level I	Level II	System Request	Total[1]	Recommendation	Total[1]
Chatham County	4.0	2.0	7.0	13.0	0.0	6.0
City of Durham			25.0	25.0	0.0	0.0
Fayetteville			20.0	20.0	0.0	0.0
Greensboro			25.0	25.0	0.0	0.0
Holly Springs			4.5	4.5	0.5	0.5
Apex & Cary[2]	16.0		29.0	45.0	5.0	21.0
Morrisville[2]			4.5	4.5	2.5	2.5
Wake County/RTP[2]			3.5	3.5	1.5	1.5
OWASA		10.0	No application submitted this round			10.0
Orange County		1.0	No application submitted this round			1.0
Totals	**20.0**	**13.0**	**118.5**	**151.5**	**9.5**	**42.5**

[1] This column shows the total allocations if all the current requests or recommendations were approved

[2] Allocation is contingent on obtaining an interbasin transfer certification. The recommendations provided are for informational purposes and public comment only at this time.

SOURCE: JORDAN LAKE WATER SUPPLY STORAGE ALLOCATION RECOMMENDATIONS

R-129

Allocations fall into two categories. Level I allocations are made based on 20-year water need projections *and* when withdrawals are planned to begin within five years of receiving the allocation. Level II allocations are made based on longer term needs of up to 30 years.

Only one round of allocations have been made thus far. These initial allocations of water supply from Jordan Lake were made in 1988. At that time, 42 percent of the water supply pool was allocated; however, some original allocation holders have since released their allocations. Currently, one-third, or 33 MGD, of the 100 MGD water supply pool is allocated as follows in Table 1. Note that allocations are actually a percentage of the water supply pool and not a rate of withdrawal. However, for convenience in this report allocations will be expressed in MGD, since 100 percent of water supply storage has an estimated safe yield of 100 MGD.

Table 1. Existing Jordan Water Supply Allocations

Allocation Holder	Level I	Level II
Cary-Apex	16	0
Chatham County	4	2
Orange Water & Sewer Authority	0	10
Orange County	0	1
Total	**20 MGD**	**13 MGD**

Two of the current allocation holders, Apex & Cary and Chatham County, are requesting an increase in their existing allocations. Orange Water & Sewer Authority and Orange County have not requested an increase and both anticipate starting to use their allocations sometime between 2010 and 2015.

Existing rules limit water supply allocations that will result in diversions out of the lake's watershed to 50 percent of the 100 MGD total water supply yield. The EMC may review and revise this limit based on experience in managing the lake and on the effects of changes in the lake's watershed that will affect its yield. Currently, 19.4 MGD of the 100 MGD yield is approved to be diverted out of the lake's watershed.

Costs and Repayment Requirements

Jordan Lake was financed and constructed by the Federal government through the U.S. Army Corps of Engineers. Storage space for municipal and industrial water supply was included at the request of state and local officials with the understanding that the costs associated with this water supply storage would be paid for by the actual users. North Carolina statute (G.S. 143-215.38) authorized the State, acting through the EMC, to assume repayment responsibilities for these costs. The costs associated with providing water supply storage in Jordan Lake fall into three basic categories: capital costs, operating costs, and administrative costs. The total annual cost for

R-130

Table 2. Water Supply Allocation Recommendations

Applicant	Current Allocations (MGD)		Applicant Requests (MGD)		State Recommendation	
	Level I	Level II	System Request	Total[1]	Recommendation	Total[1]
Chatham County	4.0	2.0	7.0	13.0	0.0	6.0
City of Durham			25.0	25.0	0.0	0.0
Fayetteville			20.0	20.0	0.0	0.0
Greensboro			25.0	25.0	0.0	0.0
Holly Springs			4.5	4.5	0.5	0.5
Apex & Cary[2]	16.0		29.0	45.0	5.0	21.0
Morrisville[2]			4.5	4.5	2.5	2.5
Wake County/RTP[2]			3.5	3.5	1.5	1.5
OWASA		10.0	No application submitted this round			10.0
Orange County		1.0	No application submitted this round			1.0
Totals	**20.0**	**13.0**	**118.5**	**151.5**	**9.5**	**42.5**

[1] This column shows the total allocations if all the current requests or recommendation were approved

[2] Allocation is contingent on obtaining interbasin transfer certification. The recommendations provided are for informational purposes only at this time.

Table 3 provides a more detailed summary of each of the systems' projected population and water use. The appendices provide details on each of the systems.

The applicants for which an allocation is recommended and for which interbasin transfer will be an issue include Holly Springs, Morrisville, Cary/Apex, and RTP South. For all of these systems the responsibility would be Cary's and Apex's for obtaining the interbasin transfer certification, since they own the pipes at the point where the transfer occurs. However, the rules also allow for another party involved in the transfer to assume responsibility for certification, if approved by the Director of the Division of Water Resources.

Holly Springs has requested to assume responsibility for certification of the interbasin transfer associated with their allocation request. The Division is going to approve their request for the following reasons. Holly Springs has its own WWTP which discharges back into the Cape Fear River basin, not the Neuse River basin. The estimated maximum daily transfer is only 0.8 MGD, based on the 0.5 MGD allocation recommendation. Since the Holly Springs interbasin transfer potential is only 0.8 MGD, well below the 2.0 MGD certification threshold, no interbasin transfer certification is needed at this time.

R-131

Figure 1. Jordan Lake Water Supply Allocation Process Milestones

✔ I. Receive request for a new or increased water supply allocation.
Division of Water Resources (DWR) received a letter from Town of Cary, May 8, 1996.

✔ II. Notify Environmental Management Commission (EMC) at their next meeting.
DWR was on the agenda for the Water Quality Committee, July 10, 1996 (No EMC meetings in June).

✔ III. Hold public information meeting for potential applicants and interested parties.
Public information meeting was held on June 27, 1996.

✔ IV. All potential applicants send the Division a letter of intent.
Deadline for letter of intent is July 31, 1996.

✔ V. Applicants complete application package.
The deadline for completed applications is September 30, 1996. DWR provides EMC with a status report at their next meeting (October).

✔ VI. DWR will issue a notice that applications have been received, with a 30-day written comment period.
DWR sent out a notice October 14th, with a comment deadline November 15th.

No Interbasin Transfers

VII. DWR presents initial recommendations to EMC.
DWR will present recommendations to the Water Quality Committee, March 1997 and to the full commission at their April 1997 meeting.

VIII. Hold public hearing and provide a 30-day comment period.
There will be a minimum 30-day notice for the hearing and a 30-day comment period after the hearing, in late May or early June 1997.

IX. EMC makes decision on allocations.
The hearing officer's report and recommendations will be presented to the Water Quality Committee, October 1997 and to the full commission at their December 1997 meeting. (Note, no EMC meetings in November.)

X. Prepare new and/or amend contract(s) for approved allocations.

Interbasin Transfers

VII. DWR provides EMC with information about need and reasonableness.
DWR will present information to the Water Quality Committee, March 1997 and to the full commission at their April 1997 meeting.

VIII. Provide a 30-day written comment period.

IX. Develop appropriate interbasin transfer and SEPA documentation.
Time needed to develop environmental documentation will depend upon the amount of the transfer and issues identified in the scoping meeting(s). Depending upon the complexity of the issues, this task will likely range from 12 to 24 months in length.

X. Publish required public notices.
There will be a minimum 30-day notice for the hearing.

XI. Hold public hearing and provide 30-day public comment period.

XII. EMC makes determination on petition and allocation.

XIII. Prepare new and/or amend contract(s) for approved allocations.
Contract preparation takes about one month.

AID-TO-C[redacted] CONTRACTS
Division [redacted]pidemiology
FY 96-97 Allocations and Budgeted Amounts

HEALTH DEPARTMENT	CD STATE		TB STATE		HIV/STD STATE		HIV/STD SSBG		TOTAL STATE		Block Grant
	Allocated	Budgeted	Allocated	Budgeted	Allocated	Budgeted	Allocated	Budgeted	Allocated	Budgeted	
ALAMANCE	$3,800	$3,800	$30,917	$30,917	$12,500	$12,500			$47,217	$47,217	yes
ALEXANDER	$10,363	$13,315	$2,452	$0	$500	$0			$13,315	$13,315	
ALLEGHANY	$11,304	$11,304	$904	$904	$500	$500			$12,708	$12,708	
ANSON	$6,022	$15,076	$2,554	$0	$500	$0	$6,000	$0	$15,076	$15,076	yes
ASHE	$11,405	$11,405	$908	$908	$500	$500			$12,813	$12,813	
AVERY	$11,431	$11,431	$1,030	$1,030	$500	$500			$12,961	$12,961	
BEAUFORT	$2,750	$2,750	$24,356	$24,356	$3,923	$3,923			$31,029	$31,029	
BERTIE	$1,250	$1,250	$17,503	$17,503	$500	$500			$19,253	$19,253	
BLADEN	$2,200	$2,200	$20,783	$20,783	$500	$500			$23,483	$23,483	
BRUNSWICK	$13,620	$13,620	$3,119	$3,119	$500	$500			$17,239	$17,239	
BUNCOMBE	$8,000	$40,988	$32,988	$0		$0			$40,988	$40,988	yes
BURKE	$1,650	$1,650	$18,293	$18,293	$500	$500	$12,000	$12,000	$32,443	$32,443	
CABARRUS	$11,000	$11,000	$3,928	$3,928					$14,928	$14,928	
CALDWELL	$10,500	$10,500	$3,244	$3,244	$12,500	$12,500			$26,244	$26,244	
CAMDEN	$7,479	$7,479	$4,677	$4,677	$500	$500			$12,656	$12,656	
CARTERET	$1,800	$25,452	$11,152	$0	$500	$0	$12,000	$0	$25,452	$25,452	yes
CASWELL	$11,181	$11,181	$1,688	$1,688	$500	$500			$13,369	$13,369	
CATAWBA	$8,400	$45,453	$24,553	$0	$12,500	$0			$45,453	$45,453	yes
CHATHAM	$1,650		$9,305		$500	$500	$12,000	$12,000	$23,455	$12,500	
CHEROKEE	$11,340	$11,340	$1,160	$1,160	$500	$500			$13,000	$13,000	
CHOWAN	$8,080	$8,080	$4,749	$4,749	$500	$500			$13,329	$13,329	
CLAY	$11,574	$11,574	$682	$682	$500	$500			$12,756	$12,756	
CLEVELAND	$5,600	$25,504	$19,904	$0					$25,504	$25,504	yes
COLUMBUS	$3,500	$48,097	$32,097	$0	$12,500	$0		$0	$48,097	$48,097	yes
CRAVEN	$6,500	$6,500	$33,440		$12,500	$12,500			$52,440	$19,000	
CUMBERLAND	$26,400	$138,856	$87,456	$0	$25,000	$0			$138,856	$138,856	yes
CURRITUCK	$10,516	$10,516	$2,188	$2,188	$500	$500			$13,204	$13,204	
DARE	$950	$15,015	$1,565	$0	$500	$0	$12,000	$0	$15,015	$15,015	yes
DAVIDSON	$3,900	$3,900	$31,653	$31,653	$12,500	$12,500			$48,053	$48,053	
DAVIE	$950	$950	$1,568	$1,568	$500	$12,500	$12,000	$0	$15,018	$15,018	
DUPLIN	$4,550	$4,550	$30,527	$30,527	$500	$500			$35,577	$35,577	
DURHAM	$22,050	$128,778	$81,728	$0	$25,000	$0			$128,778	$128,778	yes
EDGECOMBE	$7,550	$7,550	$51,323	$51,323	$500		$12,000	$12,500	$71,373	$71,373	
FORSYTH	$18,200	$18,200	$51,319	$51,319	$25,000	$25,000			$94,519	$94,519	
FRANKLIN	$4,450	$4,450	$14,427	$14,427	$500	$500			$19,377	$19,377	
GASTON	$28,850	$28,850	$31,584	$31,584					$60,434	$60,434	
GATES	$150	$150	$21,336	$21,336	$500	$500			$21,986	$21,986	
GRAHAM	$11,617	$12,849	$732	$0	$500	$0			$12,849	$12,849	yes
GRANVILLE	$1,500	$1,500	$11,065	$11,065	$500	$500	$3,000	$3,000	$16,065	$16,065	
GREENE	$10,886	$11,386	$3,639	$3,639	$500	$0		$0	$15,025	$15,025	yes
GUILFORD	$16,350	$16,350	$82,111	$82,111	$25,000	$25,000			$123,461	$123,461	
HALIFAX	$2,350	$2,350	$67,585		$500	$500			$70,435	$2,850	
HARNETT	$4,100	$37,658	$33,058	$0	$500	$0			$37,658	$37,658	yes
HAYWOOD	$11,706	$11,706	$2,224	$2,224	$500	$500			$14,430	$14,430	
HENDERSON	$2,650	$2,650	$11,923	$11,923	$12,500	$12,500			$27,073	$27,073	
HERTFORD	$1,100	$1,100	$21,464	$21,464	$500	$500			$23,064	$23,064	
HOKE	$3,743	$16,449	$12,206	$0	$500	$0			$16,449	$16,449	yes
HYDE	$11,318	$12,862	$1,044	$0	$500	$0			$12,862	$12,862	yes
IREDELL	$5,900	$39,631	$21,231	$0	$12,500	$0			$39,631	$39,631	yes
JACKSON	$10,775	$13,663	$2,388	$0	$500	$0			$13,663	$13,663	yes

HEALTH DEPARTMENT	CD STATE		TB STATE		HIV/STD STATE		HIV/STD SSBG		TOTAL STATE		Block Grant
	Allocated	Budgeted	Allocated	Budgeted	Allocated	Budgeted	Allocated	Budgeted	Allocated	Budgeted	
JOHNSTON	$3,850	$3,850	$65,951	$65,951	$12,500	$12,500			$82,301	$82,301	
JONES	$10,020	$10,020	$2,584	$2,584	$500	$500			$13,104	$13,104	
LEE	$3,550	$3,550	$8,655	$8,655	$500	$500			$12,705	$12,705	
LENOIR	$7,450	$7,450	$48,212	$48,212	$500	$500			$56,162	$56,162	
LINCOLN	$12,797	$15,153	$1,856	$0	$500	$0			$15,153	$15,153	yes
MACON	$10,943	$10,943	$1,607	$1,607	$500	$500			$13,050	$13,050	
MADISON	$11,050	$11,050	$1,601	$1,601	$500	$500			$13,151	$13,151	
MARTIN	$1,950	$17,056	$14,606	$0	$500	$0			$17,056	$17,056	yes
MCDOWELL	$9,256	$9,256	$4,324	$4,324	$500	$500			$14,080	$14,080	
MECKLENBURG	$50,550	$50,550	$162,654		$25,000	$25,000			$238,204	$75,550	
MITCHELL	$11,332	$11,332	$1,018	$1,018	$500	$500			$12,850	$12,850	
MONTGOMERY	$11,415	$13,665	$2,250	$0	$500	$500			$14,165	$14,165	yes
MOORE	$2,800	$2,800	$19,949	$19,949	$500	$500			$23,249	$23,249	
NASH	$4,300	$4,800	$51,638	$51,638	$500	$0			$56,438	$56,438	yes
NEW HANOVER	$8,100	$45,131	$37,031	$0					$45,131	$45,131	yes
NORTHAMPTON	$2,500	$2,500	$30,998	$15,499	$500	$15,999			$33,998	$33,998	
ONSLOW	$12,250	$11,494	$37,622	$40,073	$12,500	$10,805			$62,372	$62,372	yes
ORANGE	$3,800	$17,018	$13,218	$0					$17,018	$17,018	yes
PAMLICO	$10,327	$12,976	$2,149		$500				$12,976	$12,976	yes
PASQUOTANK	$1,850	$1,850	$4,889	$4,889	$500	$500			$7,239	$7,239	
PENDER	$10,247	$10,247	$2,996	$2,996	$500	$500			$13,743	$13,743	
PERQUIMANS	$7,729	$7,729	$4,706	$4,706	$500	$500			$12,935	$12,935	
PERSON	$4,507	$4,507	$8,868	$8,868	$500	$500			$13,875	$13,875	
PITT	$9,050	$75,736	$75,736	$9,050	$12,500	$12,500			$97,286	$97,286	yes
POLK	$8,156	$8,156	$4,190	$4,190	$500	$500			$12,846	$12,846	
RANDOLPH	$5,050	$5,050	$11,774	$11,774	$12,500	$12,500			$29,324	$29,324	
RICHMOND	$2,050	$2,050	$14,383	$14,383	$500	$500			$16,933	$16,933	
ROBESON	$5,300	$5,300	$65,210	$65,210	$12,500	$12,500			$83,010	$83,010	
ROCKINGHAM	$4,200	$4,200	$15,376	$15,376	$500	$500			$20,076	$20,076	
ROWAN	$11,550	$11,550	$17,422	$17,422	$12,500	$12,500			$41,472	$41,472	
RUTHERFORD	$4,200	$4,200	$4,609	$4,609	$500	$500			$9,309	$9,309	
SAMPSON	$3,750	$64,680	$60,430	$0	$500	$0			$64,680	$64,680	yes
SCOTLAND	$8,050	$0	$13,247	$21,797	$500	$0			$21,797	$21,797	yes
STANLY	$2,800	$2,800	$2,920	$2,920	$500	$500			$6,220	$6,220	
STOKES	$11,272	$11,272	$1,590	$1,590	$500	$500			$13,362	$13,362	
SURRY	$2,450	$2,950	$2,231	$2,231	$500	$0			$5,181	$5,181	yes
SWAIN	$10,796	$13,035	$1,739	$0	$500	$0			$13,035	$13,035	yes
TRANSYLVANIA	$10,920	$13,108	$1,688	$0	$500	$0			$13,108	$13,108	yes
TYRRELL	$100	$14,977	$14,377	$0	$500	$0			$14,977	$14,977	yes
UNION	$7,600	$23,967	$3,867	$0	$12,500	$0			$23,967	$23,967	
VANCE	$2,750	$2,750	$11,205	$11,205	$500	$500			$14,455	$14,455	
WAKE	$53,450	$53,450	$95,579	$95,579	$25,000	$25,000			$174,029	$174,029	
WARREN	$9,830	$13,327	$2,997	$0	$500	$0			$13,327	$13,327	yes
WASHINGTON	$500	$15,434	$14,434	$0	$500	$0			$15,434	$15,434	yes
WATAUGA	$1,100	$1,100	$1,027	$1,027	$500	$500			$2,627	$2,627	
WAYNE	$8,800	$8,800	$54,940	$54,940	$12,500	$12,500			$76,240	$76,240	
WILKES	$2,350	$2,350	$2,811	$2,811	$500	$500			$5,661	$5,661	
WILSON	$8,500	$8,500	$60,233	$60,233	$12,500	$12,500			$81,233	$81,233	
YADKIN	$11,587	$11,587	$1,121	$1,121	$500	$500			$13,208	$13,208	
YANCEY	$11,332	$11,332	$1,018	$1,018	$500	$500			$12,850	$12,850	
TOTALS	$834,976	$1,569,456	$2,069,266	$1,187,348	$401,423	$315,727	$81,000	$39,500	$3,386,665	$3,112,031	

NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES
Inorganic [redacted]s/Microbiological Analysis
[redacted]UARY 1997

Lab [redacted]

Laboratory	Mic	As	Ba	Be	Cd	Cr	Cu	Fe	Hg	Mn	Na	Ni	Pb	Sb	Se	Th	Cn	F	NO_3	NO_2	SO_4	Co
IN-STATE																						
Lab#37742 Aqua Tech Env. Laboratories 936 North Horner Blvd. Sanford, NC 27331 Phone: (919)776-5999 1-800-522-2832	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X		X	X	X	X	X
Lab #37768 Bailey Water Treatment Services 3549 Tar River Road Oxford NC 27565 Phone: (919) 690-1524	X																					
Lab#37702 Microbac, BAW Division 635-A Pressley Road Charlotte, NC 28217 Phone: (704) 522-6363	X	X	X			X	X	X	X	X	X	X	X				X	X		X	X	X
Lab#37718 Beacham Laboratories 1820 Wilmington Hwy Jacksonville, NC 28540 Phone: (910) 347-5843	X				X	X	X					X	X			X			X	X		
Lab#37743 Burlington Research Laboratories 1302 Belmont Street Burlington, NC 27215 Phone: (910) 570-4661	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Lab#37741 Carolina Env. Lab 1229 North Horner Blvd. Sanford, NC 27730 Phone: (919) 775-1880	X	X	X		X	X	X	X	X		X	X	X	X	X		X	X		X		X

X = Certified for analytes listed.

KEY FOR ANALYTES

Micro.....Total & Fecal Coliform analysis
Antimony.....Sb
Arsenic.....Ar
Barium.....Ba
Beryllium.....Be
Cadmium..... Cd
Chromium..... Cr
Copper..... Cu
Corrosivity.....Cor
Cyanide.....Cn
Fluoride.....F
Iron.....Fe
Lead.....Pb
Manganese.....Mn
Mercury.....Hg
Nickel..... Ni
Nitrate.....NO_3
Nitrite.....NO_2
Selenium.....Se
Sodium.....Na
Sulfate..... SO_4
Thallium.....Th

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NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES

Inorganic Analytes/Microbiological Analysis

JANUARY 1997

Laboratory	Mic	As	Ba	Be	Cd	Cr	Cu	Fe	Hg	Mn	Na	Ni	Pb	Sb	Se	Th	Cn	F	NO_3	NO_2	SO_4	Cor
IN-STATE																						
Lab#37724 Chem. & Env. Tech. Lab Box 12298 Research Triangle Park, NC 27709 Phone: (919) 467-3090	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Lab#37749 Contractors & Engineers Env. Testing PO Box 762 Goldsboro, NC 27533 Phone: (919) 735-7353	X	X	X		X		X	X	X		X	X	X		X							
Lab #37765 Culligan Operating Services Inc 1184 Arnold Road Highlands NC 28741 Phone: (704) 526-0504	X																					
Lab #37760 Earth Environmental PO Box 1177 Marshall NC 28753 Phone: (704) 649-9250	X																					
Lab#37726 Elements Illustrated 2714 First Ave, NW Hickory, NC 28601 Phone: (704) 332-6421	X																					
Lab#37715 Environment I 114 Oakmont Dr., Box 7085 Greenville, NC 27834 Phone: (919) 756-6208	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X

X = Certified for analytes listed.

KEY FOR ANALYTES

Micro . . . . . Total & Fecal coliform analysis
Antimony . . . . . Sb
Arsenic . . . . . As
Barium . . . . . Ba
Beryllium . . . . . Be
Cadmium . . . . . Cd
Chromium . . . . . Cr
Copper . . . . . Cu
Corrosivity . . . . . Cor
Cyanide . . . . . Cn
Fluoride . . . . . F
Iron . . . . . Fe
Lead . . . . . Pb
Manganese . . . . . Mn
Mercury . . . . . Hg
Nickel . . . . . Ni
Nitrate . . . . . NO_3
Nitite . . . . . NO_2
Selenium . . . . . Se
Sodium . . . . . Na
Sulfate . . . . . SO_4
Thallium . . . . . Th

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NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES

Inorganic Analytes/Microbiological Analysis

JANUARY 1997

Laboratory	Mic	As	Ba	Be	Cd	Cr	Cu	Fe	Hg	Mn	Na	Ni	Pb	Sb	Se	Th	Cn	F	NO_3	NO_2	SO_4	Cor
IN-STATE																						
Lab#37729 Environmental Chemists Inc. 6602 Windmill Way Wilmington, NC 28405 Phone: (910) 392-0223	X		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Lab#37754 Environmental Maintenance Systems PO Box 1355 Cullowhee, NC 28723 Phone: (704) 293-9396	X																					
Lab#37764 ESS Laboratories 3917 West Point Blvd, Suite E Winston Salem, NC 27103 Phone: (910) 659-3378	X																					
Lab#37745 Geo Chem 2500 Gateway Centre, Suite 300 Morrisville, NC 27560 Phone: (919) 460-8093		X		X	X	X	X					X	X		X							
Lab #37756 Granville Environmental 2031 Tommie Daniel Road Oxford, NC 27565 Phone: (919) 693-5353	X																					
Lab#37705 Guilford Laboratory, Inc. Box 9735 Greensboro, NC 27429 Phone: (910) 379-1004	X	X			X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X

X = Certified for analytes listed.

KEY FOR ANALYTES

Micro . . . . . Total & Fecal coliform analysis
Antimony . . . . . Sb
Arsenic . . . . . As
Barium . . . . . Ba
Beryllium . . . . . Be
Cadmium . . . . . Cd
Chromium . . . . . Cr
Copper . . . . . Cu
Corrosivity . . . . . Cor
Cyanide . . . . . Cn
Fluoride . . . . . F
Iron . . . . . Fe
Lead . . . . . Pb
Manganese . . . . . Mn
Nickel . . . . . Ni
Nitrate . . . . . NO_3
Nitrite . . . . . NO_2
Selenium . . . . . Se
Sodium . . . . . Na
Sulfate . . . . . SO_4
Thallium . . . . . Th
Mercury.....Hg

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NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES

Inorganic Analytes/Microbiological Analysis

JANUARY 1997

Laboratory	Mic	As	Ba	Be	Cd	Cr	Cu	Fe	Hg	Mn	Na	Ni	Pb	Sb	Se	Th	Cn	F	NO_3	NO_2	SO_4	Cor
IN-STATE																						
Lab#37733 Hydro Analytical 6300 Ramada Dr., Box C-2 Clemmons, NC 27012 Phone: (910) 766-7846	X	X	X	X	X	X	X	X		X	X	X	X	X		X	X	X	X	X	X	
Lab#37717 HydroLogic Laboratories 122 Lyman Street Asheville, NC 28801 Phone: (704) 254-5169	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Lab#37737 HydroLogic Laboratories Carolina Bus.Cnt. Bldg 2848 Ste E Charlotte NC 28202 Phone: (704) 392-1164	X																					
Lab #37716 Hydrologic Laboratories 2003 North Pine Street Lumberton NC 28358 Phone: (910) 738-6190	X																					
Lab#37720 Industrial & Env. Analysts 3000 Weston Parkway Cary, NC 27513 Phone: (919) 677-0090	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	

X = Certified for analytes listed

KEY FOR ANALYTES

Micro . . . . . Total & Fecal coliform analysis
Antimony . . . . . Sb
Arsenic . . . . . As
Barium . . . . . Ba
Beryllium . . . . . Be
Cadmium . . . . . Cd
Chromium . . . . . Cr
Copper . . . . . Cu
Corrosivity . . . . . Cor
Cyanide . . . . . Cn
Fluoride . . . . . F
Iron . . . . . Fe
Lead . . . . . Pb
Manganese . . . . . Mn
Nickel . . . . . Ni
Nitrate . . . . . NO_3
Nitrite . . . . . NO_2
Selenium . . . . . Se
Sodium . . . . . Na
Sulfate . . . . . SO_4
Thallium . . . . . Th
Mercury . . . . . Hg

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NORTH CAROLINA [redacted]FIED DRINKING WATER LABORATORIES
Inorganic Analytes/Microbiological Analysis
JANUARY 1997

Laboratory	Mic	As	Ba	Be	Cd	Cr	Cu	Fe	Hg	Mn	Na	Nl	Pb	Sb	Se	Th	Cn	F	NO_3	NO_2	SO_4	C
IN-STATE																						
Lab #37763 James & James Env. Management 814B Kanuga Street Hendersonville NC 28739 Phone: (704) 697-0063	X																					
Lab #37767 K & W Laboratories 9331-B Albemarle Road Charlotte NC 28227 Phone: (704) 569-1800	X																					
Lab#37744 Land & Lab Tech. 2014 US Hwy 17 North New Bern, NC 28560 Phone: (919) 633-1882	X																	X				
Lab #37704 Law & Co. 1711 Castle Street Wilmington, NC 28402 Phone: (910) 762-7082	X	X	X	X	X	X	X	X		X		X	X	X	X	X			X	X		
Lab #37714 Microbac Env. Laboratories 817 Castle Hayne Street Fayetteville, NC 28303 Phone: (910) 864-1920	X						X						X						X	X		

X = Certified for analytes listed.

KEY FOR ANALYTES

Micro . . . . . Total & Fecal coliform analysis
Antimony . . . . . Sb
Arsenic . . . . . As
Barium . . . . . Ba
Beryllium . . . . . Be
Cadmium . . . . . Cd
Chromium . . . . . Cr
Copper . . . . . Cu
Corrosivity . . . . . Cor
Cyanide . . . . . Cn
Fluoride . . . . . F
Iron . . . . . Fe
Lead . . . . . Pb
Manganese . . . . . Mn
Nickel . . . . . Ni
Nitrate . . . . . NO_3
Nitrite . . . . . NO_2
Selenium . . . . . Se
Sodium . . . . . Na
Sulfate . . . . . SO_4
Thallium . . . . . Th
Mercury . . . . . Hg

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NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES

Inorganic Analytes/Microbiological Analysis

JANUARY 1997

Laboratory	Mic	As	Ba	Be	Cd	Cr	Cu	Fe	Hg	Mn	Na	Ni	Pb	Sb	Se	Th	Cn	F	NO_3	NO_2	SO_4	Cor
IN-STATE																						
Lab #37734 Milkco Inc. 220 Deaverview Road Asheville NC 28806 Phone; (704) 254-9560	X																					
Lab#37762 Moore County Water & Sewer Auth. 1060 Addor Road Pinebluff, NC 28373 Phone: (910) 281-3146	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Lab #37721 Oxford Laboratories 1316 S. Fifth Street Wilmington, NC 28401 Phone: (910) 763-9793		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Lab #37712 Pace Analytical Services 54 Ravenscroft Drive Asheville NC 28801 Phone: (704) 254-7176	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Lab #37706 Pace Analytical Services 9800 Kincey Ave. Suite 100 Huntersville NC 28078 Phone: (704) 875-9092	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Lab #37753 Piedmont Laboratories 702 North Morgan Street Shelby NC 28150 Phone; (704) 482-5227	X																					

X = Certified for analytes listed.

KEY FOR ANALYTES

Micro . . . . . Total & Fecal coliform analysis
Antimony . . . . . Sb
Arsenic . . . . . As
Barium . . . . . Ba
Beryllium . . . . . Be
Cadmium . . . . . Cd
Chromium . . . . . Cr
Copper . . . . . Cu
Corrosivity . . . . . Cor
Cyanide . . . . . Cn
Fluoride . . . . . F
Iron . . . . . Fe
Lead . . . . . Pb
Manganese . . . . . Mn
Nickel . . . . . Ni
Nitrate . . . . . NO_3
Nitrite . . . . . NO_2
Selenium . . . . . Se
Sodium . . . . . Na
Sulfate . . . . . SO_4
Thallium . . . . . Th
Mercury . . . . . Hg

NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES
Inorganic Analytes/Microbiological Analysis
JANUARY 1997

Laboratory	Mic	As	Ba	Be	Cd	Cr	Cu	Fe	Hg	Mn	Na	Ni	Pb	Sb	Se	Th	Cn	F	NO_3	NO_2	SO_4	C
IN-STATE																						
Lab #37758 Precise Analytical 107 Commercial Park Dr. SW Concord NC 28027 Phone: (704) 788-9497	X	X	X		X			X	X	X		X	X					X	X	X		
Lab #37735 Prism Labs PO Box 240543 Charlotte NC 28224 Phone: (704) 529-6364	X	X	X	X	X	X	X		X	X	X	X	X		X		X	X	X	X	X	X
Lab #37701 Research & Analytical Laboratory 106 Short Street/PO Box 473 Kernersville NC 27284 Phone: (910) 996-2841	X	X	X	X	X	X	X	X	X	X		X	X	X	X	X	X	X	X	X	X	X
Lab #37752 RETAW Laboratories 240 E. Swannanoa River Asheville NC 28805 Phone: (704) 252-1944	X	X	X	X		X	X	X	X	X		X	X		X	X						
Lab #37708 Southern Testing Laboratories 3809 Airport Drive Wilson NC 27896 Phone; (919) 237-4175	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Lab #37755 Statesville Analytical PO Box 228 Statesville NC 28687 Phone: (704) 872-4697	X																					

X = Certified for analytes listed.

KEY FOR ANALYTES

Micro . . . . . Total & Fecal coliform analysis
Antimony . . . . . Sb
Arsenic . . . . . As
Barium . . . . . Ba
Beryllium . . . . . Be
Cadmium . . . . . Cd
Chromium . . . . . Cr
Copper.....Cu
Corrosivity . . . . . Cor
Cyanide . . . . . Cn
Fluoride . . . . . F
Iron . . . . . Fe
Lead . . . . . Pb
Manganese . . . . . Mn
Nickel . . . . . Ni
Nitrate . . . . . NO_3
Nitrite . . . . . NO_2
Selenium . . . . . Se
Sodium . . . . . Na
Sulfate . . . . . SO_4
Thallium . . . . . Th
Mercury . . . . . Hg

NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES

Inorganic Analytes/Microbiological Analysis

JANUARY 1997

Laboratory	Mic	As	Ba	Be	Cd	Cr	Cu	Fe	Hg	Mn	Na	Ni	Pb	Sb	Se	Th	Cn	F	NO_3	NO_2	SO_4	Cor
IN-STATE																						
Lab #37761 Sylvanus Environmental Inc. PO Box 897 Pittsboro NC 27312 Phone: (919) 545-0552	X																					
Lab #37731 Tritest Inc. 3909 Beryl Road Raleigh NC 27607 Phone:(919) 834-4984	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X		X
Lab #37738 Water Env. Services 370 West Meadow Road Eden NC 27288 Phone: (910) 623-8921	X																					
Lab #37740 Water Technology & Controls 642 Tamco Road Reidsville NC 27320 Phone: (910) 342-4748	X																					
Lab #37711 Water Tech Laboratory PO Box 1056 Granite Falls NC 28630 Phone: (704) 396-4444	X						X						X					X	X	X		X

X = Certified for analytes listed.

KEY FOR ANALYTES

Micro . . . . . Total & Fecal coliform analysis
Antimony . . . . . Sb
Arsenic . . . . . As
Barium . . . . . Ba
Beryllium . . . . . Be
Cadmium . . . . . Cd
Chromium . . . . . Cr
Copper.....Cu
Corrosivity . . . . . Cor
Cyanide . . . . . Cn
Fluoride . . . . . F
Iron . . . . . Fe
Lead . . . . . Pb
Manganese . . . . . Mn
Mercury . . . . . Hg
Nickel . . . . . Ni
Nitrate . . . . . NO_3
Nitrite . . . . . NO_2
Selenium . . . . . Se
Sodium . . . . . Na
Sulfate . . . . . SO_4
Thallium . . . . . Th

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NORTH CAROLINA C[illegible]IED DRINKING WATER LABORATORIES
Inorganic Analytes/Microbiological Analysis
JANUARY 1997

Laboratory	Mic	As	Ba	Be	Cd	Cr	Cu	Fe	Hg	Mn	Na	Ni	Pb	Sb	Se	Th	Cn	F	NO_3	NO_2	SO_4	Co
OUT-OF-STATE																						
Lab #39700 Aqua Tech Env. Laboratories 1776 Marion-Waldo Road Marion, OH 43302 Phone: 1-800-783-5991		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Lab#18700 Environmental Health Labs 110 S. Hill Street South Bend, IN 46617 Phone: (219) 233-4777		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Lab#12705 Env. Science & Engineering PO Box 1703 Gainsville, FL 36202-1703 Phone: (904) 332-3318 1-800-874-7872		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X		X	X	X
Lab#45706 Land & Lab Technology 119 Diversco Drive, Suite 7 Spartanburg, SC 29302 Phone: (803) 579-7711	X																					
Lab#45707 Land & Lab Technology PO Box 4989 W. Columbia, SC 29171 Phone: (803) 739-2805	X	X	X	X	X	X		X			X	X	X		X		X		X	X	X	
Lab#26700 National Testing Laboratories 556 South Mansfield Street Ypsilanti, MI 48197 Phone: (313) 483-8333		X	X	X	X	X	X	X	X	X	X	X	X		X	X			X	X	X	X

X = Certified for analytes listed.

KEY FOR ANALYTES

Micro . . . . . Total & Fecal coliform analysis
Antimony . . . . . Sb
Arsenic . . . . . As
Barium . . . . . Ba
Beryllium . . . . . Be
Cadmium . . . . . Cd
Chromium . . . . . Cr
Copper . . . . . Cu
Corrosivity . . . . . Cor
Cyanide . . . . . Cn
Fluoride . . . . . F
Iron . . . . . Fe
Lead . . . . . Pb
Manganese . . . . . Mn
Nickel . . . . . Ni
Nitrate . . . . . NO_3
Nitrite . . . . . NO_2
Selenium . . . . . Se
Sodium . . . . . Na
Sulfate . . . . . SO_4
Thallium . . . . . Th
Mercury . . . . . Hg

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NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES

Inorganic Analytes/Microbiological Analysis

JANUARY 1997

Laboratory	Mic	As	Ba	Be	Cd	Cr	Cu	Fe	Hg	Mn	Na	Ni	Pb	Sb	Se	Th	Cn	F	NO_3	NO_2	SO_4	Cor
OUT-OF-STATE																						
Lab#12700 Orlando Laboratories 820 Humphries Ave. Orlando, FL 38124 Phone: 1-800-826-8320		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Lab#51704 Mid-Atlantic Laboratories, Inc. 14294 Big Timber Road King George, VA 22485 Phone: (703) 775-7775	X																					
Lab#39702 Quanterra Env. Services 4101 Shuffel Dr., NW North Canton, OH 44720 Phone: (216) 497-9396			X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Lab#51700 LabCorp 8040 Villa Park Dr. Richmond, VA 23228 Phone: (804) 264-7100		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Lab#12703 Savannah Laboratories 2846 Industrial Plaza Dr. Tallahassee, FL 32301 Phone: (904) 878-3993		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X		X	X	X	X	X

X = Certified for analytes listed.

KEY FOR ANALYTES

Micro . . . . . Total & Fecal coliform analysis
Antimony . . . . . Sb
Arsenic . . . . . As
Barium . . . . . Ba
Beryllium . . . . . Be
Cadmium . . . . . Cd
Chromium . . . . . Cr
Copper . . . . . Cu
Corrosivity . . . . . Cor
Cyanide . . . . . Cn
Fluoride . . . . . F
Iron . . . . . Fe
Lead . . . . . Pb
Manganese . . . . . Mn
Nickel . . . . . Ni
Nitrate . . . . . NO_3
Nitrite . . . . . NO_2
Selenium . . . . . Se
Sodium . . . . . Na
Sulfate . . . . . SO_4
Thallium . . . . . Th
Mercury . . . . . Hg

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NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES
Inorganic Analytes/Microbiological Analysis
JANUARY 1997

Laboratory	Mic	As	Ba	Be	Cd	Cr	Cu	Fe	Hg	Mn	Na	Ni	Pb	Sb	Se	Th	Cn	F	NO_3	NO_2	SO_4	Cor
OUT-OF-STATE																						
Lab#51703 Schneider Laboratories, Inc. 2512 West Cary Street Richmond, VA 23220 Phone: (703) 775-7775			X	X		X	X	X		X		X	X	X								
Lab #42702 Roy F. Weston 208 Welsh Pool Road Lionville PA 19341 Phone: (610) 701-6100		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Lab #17700 Weston Env. Metrics 2417 Bond Street University Park IL Phone: (708) 534-5200		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X

X = Certified for analytes listed.

KEY FOR ANALYTES

Micro ..... Total & Fecal coliform analysis
Antimony ..... Sb
Arsenic ..... As
Barium ..... Ba
Beryllium ..... Be
Cadmium ..... Cd
Chromium ..... Cr
Copper ..... Cu
Corrosivity ..... Cor
Cyanide ..... Cn
Fluoride ..... F
Iron ..... Fe
Lead ..... Pb
Manganese ..... Mn
Nickel ..... Ni
Nitrate ..... NO_3
Nitrite ..... NO_2
Selenium ..... Se
Sodium ..... Na
Sulfate ..... SO_4
Thallium ..... Th
Mercury.....Hg

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NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES

Organic Analytes & Asbestos

JANUARY 1997

Laboratory	Total Trihalomethanes				Volatile Organic Chemicals		Pesticides & PCBs	Carbamates	Herbicides	PAHs	Dioxin	Asbestos
	Chloroform	Bromoform	Bromodichloromethane	Chlorodibromomethane	Regulated	Unregulated	1 = Chlordane 2 = Endrin 3 = EDB 4 = DBCP 5 = Heptachlor 6 = Heptachlor Epoxide 7 = Hexachlorobenzene 8 = Hexachlorocyclo-pentadiene 9 = Lindane 10 = Methoxychlor 11 = Toxaphene 12 = Aldrin 13 = Dieldrin 14 = PCBs	1 = Carbofuran 2 = Aldicarb 3 = Aldicarb Sulfone 4 = Aldicarb Sulfoxide 5 = Carbaryl 6 = Methomyl 7 = Oxamyl (Vydate) 8 = 3-Hydroxycarbofuran	1 = 2,4-D 2 = 2,4,5-TP 3 = Alachlor 4 = Atrazine 5 = Dalapon 6 = Dinoseb 7 = Diquat 8 = Endothall 9 = Glyphosate 10 = Pentachlorophenol 11 = Picloram 12 = Simazine 13 = Butachlor 14 = Dicamba 15 = Metolachlor 16 = Metribuzin 17 = Propachlor	1 = Benzo(A)Pyrene 2 = Di-(2-ethylhexyl) adipate 3 = Di-(2-ethylhexyl) phthalate		
IN-STATE												
Lab #37742 Aqua Tech Env. Laboratories 936 North Horner Blvd. Sanford, NC 27331 Phone:(919)776-5999 800-522-2832	X	X	X	X	X	X	3,4,7,8		1,2,5,6,10,11,14	X		
Lab #37741 Carolina Environmental Labs 1229 North Horner Blvd Sanford, NC 27330 Phone: (919) 775-1880	X	X	X	X								
Lab #37724 Chemical & Env. Technology Box 12298 RTP, NC 27709 Phone: (919) 467-3090	X	X	X	X	X	X	2,3,4,9,10,11		2			
Lab #37749 Contractors & Eng.Env. Testing PO Box 762/700B Hwy 70E Goldsboro, NC 27533-0762 Phone: (919) 735-7353	X	X	X	X	X	X	X Except 2,14		X Except 7,8,9	X		
Lab #37766 EMSL Analytical 620-G Guilford College Rd Greensboro NC 27409 Phone: (910) 297-1487												X

X = Certified for all analytes listed.

NORTH CAROLINA CER[illegible]D DRINKING WATER LABORATORIES

Or[illegible]nalytes & Asbestos

JANUARY 1997

Laboratory	Total Trihalomethanes				Volatile Organic Chemicals		Pesticides & PCBs	Carbamates	Herbicides	PAHs	Dioxin	Asbestos
	Chloroform	Bromoform	Bromodichloromethane	Chlorodibromomethane	Regulated	Unregulated	1=Chlordane 2=Endrin 3=EDB 4=DBCP 5=Heptachlor 6=Heptachlor Epoxide 7=Hexachlorobenzene 8=Hexachlorocyclo-pentadiene 9=Lindane 10=Methoxychlor 11=Toxaphene 12=Aldrin 13=Dieldrin 14=PCBs	1=Carbofuran 2=Aldicarb 3=Aldicarb Sulfone 4=Aldicarb Sulfoxide 5=Carbaryl 6=Methomyl 7=Oxamyl (Vydate) 8=3-Hydroxycarbofuran	1=2,4-D 2=2,4,5-TP 3=Alachlor 4=Atrazine 5=Dalapon 6=Dinoseb 7=Diquat 8=Endothall 9=Glyphosate 10=Pentachlorophenol 11=Picloram 12=Simazine 13=Butachlor 14=Dicamba 15=Metolachlor 16=Metribuzin 17=Propachlor	1=Benzo(A)Pyrene 2=Di-(2-ethylhexyl) adipate 3=Di-(2-ethylhexyl) phthalate		
IN-STATE												
Lab #37715 Environment I 114 Oakmont Dr. Box 7085 Greenville NC 27834 Phone: (919) 756-6208	X	X	X	X	X	X	X	X	X Except 7,8	X		
Lab #37720 IEA 3000 Weston Parkway Cary NC 27513 Phone: (919) 677-0090	X	X	X	X	X	X	2,3,4,9,10,11		1,2			
Lab #37721 Oxford Laboratories 1316 S Fifth Street Wilmington NC 28401 Phone: (910) 763-9793	X	X	X	X	X	X	X	X	X	X		
Lab #37706 Pace Analytical Services 9800 Kincey Ave. Suite 100 Huntersville NC 28078 Phone: (704) 875-9092	X	X	X	X								
Lab #37758 Precise Analytical Services 107 Commercial Park Dr. SW Concord NC 28027 Phone: (704) 788-9497	X		X		X	X	3,4,5,6,7,8, 10,13		3,12,13,15 16,17	X	R-	

X = Certified for all analytes listed.

NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES

Organic Analytes & Asbestos

JANUARY 1997

Laboratory	Total Trihalomethanes				Volatile Organic Chemicals		Pesticides & PCBs	Carbamates	Herbicides	PAHs	Dioxin	Asbestos
	Chloroform	Bromoform	Bromodichloromethane	Chlorodibromomethane	Regulated	Unregulated	1 = Chlordane 2 = Endrin 3 = EDB 4 = DBCP 5 = Heptachlor 6 = Heptachlor Epoxide 7 = Hexachlorobenzene 8 = Hexachlorocyclo-pentadiene 9 = Lindane 10 = Methoxychlor 11 = Toxaphene 12 = Aldrin 13 = Dieldrin 14 = PCBs	1 = Carbofuran 2 = Aldicarb 3 = Aldicarb Sulfone 4 = Aldicarb Sulfoxide 5 = Carbaryl 6 = Methomyl 7 = Oxamyl (Vydate) 8 = 3-Hydroxycarbofuran	1 = 2,4-D 2 = 2,4,5-TP 3 = Alachlor 4 = Atrazine 5 = Dalapon 6 = Dinoseb 7 = Diquat 8 = Endothall 9 = Glyphosate 10 = Pentachlorophenol 11 = Picloram 12 = Simazine 13 = Butachlor 14 = Dicamba 15 = Metolachlor 16 = Metribuzin 17 = Propachlor	1 = Benzo(A)Pyrene 2 = Di-(2-ethylhexyl) adipate 3 = Di-(2-ethylhexyl) phthalate		
IN-STATE												
Lab #37735 Prism Laboratories PO Box 240543 Charlotte NC 28224 Phone: (704) 529-6364	X	X	X	X								
Lab #37701 Research & Analytical Lab 106 Short Str., PO Box 473 Kernesville NC 27284 Phone: (910) 996-2841	X	X	X	X	X	X	X	X	X	X		
Lab #37708 Southern Testing Laboratories 3809 Airport Drive Wilson NC 27896 Phone: (919) 237-4175	X	X	X	X	X	X	3,4					
Lab #37751 Triangle Labs of RTP 801 Capitola Drive Durham NC 27713 Phone: (919) 544-5729											X	
Lab #37731 Tritest 3909 Beryl Road Raleigh NC 27607 Phone: (919) 834-4984	X	X	X	X	X	X	X		3,4,12,13,15 16,17	X	R	

X = Certified for all analytes listed.

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NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES

Organic Analytes & Asbestos

JANUARY 1997

Laboratory	Total Trihalomethanes				Volatile Organic Chemicals		Pesticides & PCBs	Carbamates	Herbicides	PAHs	Dioxin	Asbestos
	Chloroform	Bromoform	Bromodichloromethane	Chlorodibromomethane	Regulated	Unregulated	1 = Chlordane 2 = Endrin 3 = EDB 4 = DBCP 5 = Heptachlor 6 = Heptachlor Epoxide 7 = Hexachlorobenzene 8 = Hexachlorocyclo-pentadiene 9 = Lindane 10 = Methoxychlor 11 = Toxaphene 12 = Aldrin 13 = Dieldrin 14 = PCBs	1 = Carbofuran 2 = Aldicarb 3 = Aldicarb Sulfone 4 = Aldicarb Sulfoxide 5 = Carbaryl 6 = Methomyl 7 = Oxamyl (Vydate) 8 = 3-Hydroxycarbofuran	1 = 2,4-D 2 = 2,4,5-TP 3 = Alachlor 4 = Atrazine 5 = Dalapon 6 = Dinoseb 7 = Diquat 8 = Endothall 9 = Glyphosate 10 = Pentachlorophenol 11 = Picloram 12 = Simazine 13 = Butachlor 14 = Dicamba 15 = Metolachlor 16 = Metribuzin 17 = Propachlor	1 = Benzo(A)Pyrene 2 = Di-(2-ethylhexyl) adipate 3 = Di-(2-ethylhexyl) phthalate		
OUT-OF-STATE												
Lab #06700 Alta Analytical Laboratory 5070 Robert J Matthews Parkway El Dorado Hills CA 95762 Phone: (916) 993-1640											X	
Lab #39701 Aqua Tech Env. Laboratories 6878 S. State Rd 100 Melmore OH 44845 Phone: (419) 397-2222	X	X	X	X	X	X	X	X	X	X		
Lab #12708 Bionomics Laboratory 4310 E Anderson Road Orlando FL 32812 Phone: (407) 851-2560	X	X	X	X	X	X						
Lab #12706 Broward Testing Laboratory 4416 NE 11th Ave. Ft. Lauderdale FL 33334 Phone: (305) 772-9554	X	X		X			3,4,5,6,7,9,10, 12,13	X	1,2,4,6,7,8,9, 11,12,13,14,17	2,3		
Lab #39703 Data Chem Laboratory 4388 Glendale-Milford Rd Cincinnati OH 45242 Phone: (513) 733-5336											D	X

X = Certified for all analytes listed.

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NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES

Organic Analytes & Asbestos

JANUARY 1997

Laboratory	Total Trihalomethanes				Volatile Organic Chemicals		Pesticides & PCBs	Carbamates	Herbicides	PAHs	Dioxin	Asbest
	Chloroform	Bromoform	Bromodichloromethane	Chlorodibromomethane	Regulated	Unregulated	1 = Chlordane 2 = Endrin 3 = EDB 4 = DBCP 5 = Heptachlor 6 = Heptachlor Epoxide 7 = Hexachlorobenzene 8 = Hexachlorocyclo-pentadiene 9 = Lindane 10 = Methoxychlor 11 = Toxaphene 12 = Aldrin 13 = Dieldrin 14 = PCBs	1 = Carbofuran 2 = Aldicarb 3 = Aldicarb Sulfone 4 = Aldicarb Sulfoxide 5 = Carbaryl 6 = Methomyl 7 = Oxamyl (Vydate) 8 = 3-Hydroxycarbofuran	1 = 2,4-D 2 = 2,4,5-TP 3 = Alachlor 4 = Atrazine 5 = Dalapon 6 = Dinoseb 7 = Diquat 8 = Endothall 9 = Glyphosate 10 = Pentachlorophenol 11 = Picloram 12 = Simazine 13 = Butachlor 14 = Dicamba 15 = Metolachlor 16 = Metribuzin 17 = Propachlor	1 = Benzo(A)Pyrene 2 = Di-(2-ethylhexyl) adipate 3 = Di-(2-ethylhexyl) phthalate		
OUT-OF-STATE												
Lab #18700 Environmental Health Laboratory 110 South Hill Street South Bend IN 46617 Phone: (219) 233-4777	X	X	X	X	X	X	X	X	X	X		
Lab #12705 Environmental Science & Eng. PO Box 1703 Gainesville FL 32602 Phone: 904-332-3318 1- 800-874-7872	X	X	X	X	X	X	X Except 7,8,14		1,2,5,6,10,11,14			
Lab #21702 Hydrologic inc 1491 Twilight Trail Frankfort KY 40601 Phone: 1-800-728-2251	X	X	X	X								
Lab #25701 IEA 149 Rangeway Road North Billerica MA Phone:(617) 272-5212 1-800-950-5212												X

X = Certified for all analytes listed.

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NORTH CAROLINA CERT[redacted] DRINKING WATER LABORATORIES

Org[redacted]nalytes & Asbestos

JANUARY 1997

Laboratory	Total Trihalomethanes				Volatile Organic Chemicals		Pesticides & PCBs	Carbamates	Herbicides	PAHs	Dioxin	Asbestos
	Chloroform	Bromoform	Bromodichloromethane	Chlorodibromomethane	Regulated	Unregulated	1 = Chlordane 2 = Endrin 3 = EDB 4 = DBCP 5 = Heptachlor 6 = Heptachlor Epoxide 7 = Hexachlorobenzene 8 = Hexachlorocyclo-pentadiene 9 = Lindane 10 = Methoxychlor 11 = Toxaphene 12 = Aldrin 13 = Dieldrin 14 = PCBs	1 = Carbofuran 2 = Aldicarb 3 = Aldicarb Sulfone 4 = Aldicarb Sulfoxide 5 = Carbaryl 6 = Methomyl 7 = Oxamyl (Vydate) 8 = 3-Hydroxycarbofuran	1 = 2,4-D 2 = 2,4,5-TP 3 = Alachlor 4 = Atrazine 5 = Dalapon 6 = Dinoseb 7 = Diquat 8 = Endothall 9 = Glyphosate 10 = Pentachlorophenol 11 = Picloram 12 = Simazine 13 = Butachlor 14 = Dicamba 15 = Metolachlor 16 = Metribuzin 17 = Propachlor	1 = Benzo(A)Pyrene 2 = Di-(2-ethylhexyl) adipate 3 = Di-(2-ethylhexyl) phthalate		
OUT-OF-STATE												
Lab #51700 Lab Corp PO Box 25249 Richmond VA 23260 Phone: 1-800-888-8061	X	X	X	X								
Lab #42703 Microbac Laboratories 100 Marshall Drive Warrendale PA 15086 Phone: (412) 772-0610	X	X	X	X			1,3,4,7,8,9			2		
Lab #26700 National Testing Laboratories 556 South Mansfield Street Ypsilanti MI 48197 Phone: (313) 483-8333	X	X	X	X			X		1,2,4,6,10,11, 12,14,15,16			
Lab #12700 Orlando Laboratories 820 Humphries Avenue Orlando FL 38124 Phone: 1-800-826-8320	X	X	X	X			X Except 7	X Except 4	1,2,3,5,6,8,9,13, 14,15,16,17	2,3		
Lab #39702 Quanterra Inc. 4101 Shuffel Dr. NW North Canton OH 44720 Phone: (216) 497-9396	X	X	X	X							R	

X = Certified for all analytes listed.

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NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES

Organic Analytes & Asbestos

JANUARY 1997

Laboratory	Total Trihalomethanes				Volatile Organic Chemicals		Pesticides & PCBs	Carbamates	Herbicides	PAHs	Dioxin	Asbesto
	Chloroform	Bromoform	Bromodichloromethane	Chlorodibromomethane	Regulated	Unregulated	1 = Chlordane 2 = Endrin 3 = EDB 4 = DBCP 5 = Heptachlor 6 = Heptachlor Epoxide 7 = Hexachlorobenzene 8 = Hexachlorocyclo-pentadiene 9 = Lindane 10 = Methoxychlor 11 = Toxaphene 12 = Aldrin 13 = Dieldrin 14 = PCBs	1 = Carbofuran 2 = Aldicarb 3 = Aldicarb Sulfone 4 = Aldicarb Sulfoxide 5 = Carbaryl 6 = Methomyl 7 = Oxamyl (Vydate) 8 = 3-Hydroxycarbofuran	1 = 2,4-D 2 = 2,4,5-TP 3 = Alachlor 4 = Atrazine 5 = Dalapon 6 = Dinoseb 7 = Diquat 8 = Endothall 9 = Glyphosate 10 = Pentachlorophenol 11 = Picloram 12 = Simazine 13 = Butachlor 14 = Dicamba 15 = Metolachlor 16 = Metribuzin 17 = Propachlor	1 = Benzo(A)Pyrene 2 = Di-(2-ethylhexyl) adipate 3 = Di-(2-ethylhexyl) phthalate		
OUT-OF-STATE												
Lab #12703 Savannah Laboratories 2846 Industrial Plaza Tallahassee FL 32301 Phone: (904) 878-3993	X	X	X	X	X	X	X	X	X Except 9	2,3		
Lab #51702 Scientific Laboratories 477 Southlake Road Richmond VA 23236 Phone: (804) 379-1084												X
Lab #17700 Weston Env. Metrics 2417 Bond Street University Park IL Phone: (708) 534-5200	X	X	X	X	X	X						
Lab #42702 Roy F. Weston 208 Welsh Pool Road Lionville PA 19341 Phone: (610) 701-6100	X	X	X	X								

X = Certified for all analytes listed.

R-151

Minutes

House Appropriation Sub-Committee on

Natural and Economic Resources

May 7, 1997-8:30 a.m.

The House Appropriations Sub-Committee on Natural and Economic Resources met Wednesday, May 7, 1997 at 8:30 a.m. in Room 605 of the Legislative Office Building. Representative Rex Baker, House Co-Chair, called the meeting to order at 8:30 a.m. Members present were Representatives Baker, Mitchell, Carpenter, Culp, Fox, Hall, Howard Hunter, Owens, Tolson, Weatherly, and Wilkins. Representative Baker stated that the objective is to put together a rough draft report by Thursday.

After opening remarks, Mona Moon, of the Fiscal Research Division, reviewed the Departmental Administrative Staffing handout R-30 which is attached to these minutes. She asked what action the committee took yesterday on the status of the Span of Control Reduction, and Representative Baker stated that the issue would be flagged and put in the final report and be talked about then. Representative Baker requested Fiscal Research to get a summary of vacant positions. Ms. Moon indicated there are two sheets that lists all positions that the General Assembly has authorized and created since 1994. They are still in the existing program with the exception of positions that have been abolished. One position was transferred to the controller's office. Other program positions that were in Administration are now in a division that more appropriately defines their job. Representative Baker asked for a summary of the vacant positions, and Ms. Moon noted that she did not have it available. Representative Baker requested Fiscal Research staff to have it available at the meeting this afternoon. Representative Owens asked if those listed are all the positions in this particular agency, and Ms. Moon noted that the positions on the list were created by the General Assembly and supported with general funds that the General Assembly created through action in their budget deliberations. Any positions that have shown up in the expansion budget in 1993-94 are those that the General Assembly authorized to be created. There would be other positions in the department that have been created since that time that are receipt supported. There may be other general supported positions that have been created. That kind of position is allowed to be created but has to be done through State Budget as well. This came through a discussion when this committee was meeting with the Senate with respect to number of administrative positions. There was concern over how many positions had occurred over the years, and those are listed on Handout R30. This chart reflects sixteen positions have been transferred to administration from programs. Question was asked if the positions the General Assembly had created were still being used for the purpose the General Assembly appropriated those funds to be used. Representative Owens noted there is a glaring difference in the 1991-93 budget which had 3567 employees until 1997 which indicates 4580. That is over a thousand. You only have 235 listed here. Ms.

Moon noted she could not specifically reconcile the numbers. There would have been substantial positions created through receipts. Fiscal Research can work with the department and try to recreate that. She could not explain the complete difference. She noted that the numbers the committee were looking at yesterday were actually for 1989-90. There would be some other general funded positions that aren't captured and there may be some other receipt positions. Henry Lancaster, Deputy Secretary of the Department of Environment, Health, and Natural Resources, explained that the department brought on the Museum of Natural Sciences from the Aquarium department that increased the positions to the federal programs and increase of positions due to other appropriations on the spot, and some state receipts. Representative Owens stated that receipts are the ones that bother him. Representative Baker requested Fiscal Research to get an estimates for the committee to discuss this afternoon.

At this time, Ms. Moon reviewed handout R-33, Departmental Policy on Salary Reserve, and Management Reserve Summary listed on R-53 which are attached to these minutes. She further informed the committee that R-54(d-l) gives additional information indicated by division how and where salary reserve has been generated through work personnel actions and how those funds have been used for the 1996-97 fiscal year. She noted that R-53d lists the salary reserve analysis for Water Resources. The total generated for 1996-97 was $1,645 and $862 was used. In handout R-53l, there is a total for the department for the current fiscal year through all different personnel action types; $372,121 in salary reserve has been generated. The department has actually used a total of $529,374. There has been carry forward salary reserve from previous years to help fund this and as they go throughout the year, they have to make up what is not available. That is the current status of salary reserve for the department. Representative Owens asked if there are figures on receipts on hand and if they are generating funds that can be used for salaries. Ms. Moon explained that receipt money is different. In terms of salary reserve, it is different for the receipt position. Any money not used for positions that are budgeted with receipts can be available for other program purposes. It works differently as opposed to general funds. They cannot use that money for other purpose unless they have specific authorization from State Budget. Representative Owens asked what is the difference in salary reserve and lapsed salaries. Ms. Moon explained that salary reserve is different from lapsed salaries. Lapsed salaries create reversions. What happens with salary reserve is that the General Assembly appropriates 100 percent of the amount required to pay salary and benefits for the position when created. If the position is filled with an amount below the budgeted amount, it creates salary reserve because the money is ongoing. It is recurring money. With lapsed salaries, if you have a position that is budgeted at $30,000 and that position is not filled half way through the year, you have created $15,000 in lapsed salaries. That $15,000, unless State Budget authorizes the use of that money, reverts. With salary reserve, prior to October 1996, there was no management reserve set aside. That money would be available to the divisions to use in accordance with the rules governing salary reserve. There is a difference in how the department treats salary reserve. If the department had some needs, they could create some positions. When you try to hire someone and don't have a competitive salary, sometime you can use salary reserve to make an offer to someone you really want to hire.

You have to go through the proper channels to do that. Some divisions don't have enough salary reserve generated to pay for their own adjustments. Sometimes they have to tap on reserve created by other divisions. That was the purpose behind money reserve. Representative Owens expressed concern that you can do more inspections to create receipts and create jobs that you could not get when you wanted at budget time. Ms. Moon stated that this issue could be referred to the Department of State Budget. There is an Executive State Budget Act of Prohibition against the department taking action to implement something that has been considered by the General Assembly and the General Assembly decided not to do it. However, thet Prohibition Executive Budget Act speaks specifically to state funding so if there are grant moneys, which Federal funds are considered to be grant moneys, in this instance, they could come back and do something the General Assembly said they don't want to do. Representative Owens asked how fifteen positions were cut in Air Quality and thirty-five had been hired after the General Assembly adjourned using receipt moneys. Henry Lancaster, DEHNR, explained how federal fuel money is generated and when some situations come along, that federal fuel tax money can be used to fund positions. It is federal not state money involved.

Jennifer Herrera reviewed R-34, Natural Resources Division, Division of Forest Resources, which is attached to these minutes. Representative Tolson asked if reduction in Forestry field operations equipment would hurt the radio system. Dianne Parrish, Forestry Division, stated that the reductions would delay radio system and will cut funds back and there would not be much to be used for maintenance. Representative Weatherly asked how they would deal with problem due to the hurricane damage and increase in fire hazards, and Dianne Parrish replied that the radio system is already in place and would have to be maintained with funds that are available. Representative Weatherly noted that Forestry would have less that the best communication system but asked if it would be adequate, and Dianne Parrish replied that since the system is already in place, it will take awhile for breakdowns, etc. Representative Fox asked about the $140,000 reductions. Ms. Herrera referred the committee to go back to R-29b, where the reduction for Forestry is listed as $140,000 and stated that it was her understanding that this would be an additional reduction in the radio equipment. Representative Baker asked Dianne Parrish to address what the $140,000 that DEHNR is recommending would do to them. Ms. Parrish stated that communications equipment would take the brunt of the reduction, and it depends on what happens in terms of having to replace, maintain, and add to. Representative Baker asked if the $140,000 is a reduction, how much would be left to spend on radios, and Ms. Parrish was not sure of the amount and replied if Forestry takes all the cuts on the table it will wipe out radio funding. Representative Baker asked if there were any further cuts, and Ms. Herrera reported that the with the $340,000 total reduction for the radio equipment; there was no additional reduction. The Senate took a $500,000 reduction in equipment and vehicles for the Division of Forest Resources, which essentially meant that a number of trucks would not be replaced. This includes equipment, vehicles, tractors, trailers, and planes that range in age from 1953 to 1993. On a $500,000 reduction, it meant that those newer vehicles, although they had considerable mileage, replacement would be delayed and would concentrate on the most needy replacement items. Representative Weatherly recommended that this item be

flagged for further consideration. Representative Baker requested the Fiscal Research staff to bring information to the NER meeting this afternoon on the amount of any appropriation for reductions for radios above $340,000 and also the feeling from Forest Resources as to the minimum need to spend over the biennium to maintain the system to protect the people. Ms. Herrera referred the committee to turn to R-61 which lists the licensed motor vehicle schedule. There are a number of trucks, two air crafts, several lowboy trailers, and tractors. Those are the types of equipment included in the continuation budget increase, and the Senate reduced that amount by $500,000. Representative Baker asked what reductions the Governor had recommended, and Ms. Herrera noted he recommended $2,029,960 for FY 1997-98 and $1,705,537 for FY 1998-99. These are listed on R-35. Representative Baker asked if the senate budget for 1997-98 is $500,000 less than the $2,029,960, and Mrs. Herrera replied it was. Representative Owens expressed concern over the $500,000, and noted there are trucks dating back to the 70's that need to be replaced. The trucks are old, and the employees do a good job. If cuts are needed, they should give the committee a list explaining what the $500,000 cut would do to them. This would enable the committee to see how old the equipment is. Ms. Herrera noted it was her understanding that the Senate's $500,000 reduction included sixty-two trucks. They were the newer models (92 and 93). She will verify with Forest Resources. Representative Mitchell asked if they are expecting a huge increase in repairs this year and noted that when his vehicles get 100,000 miles on them, they really start costing money.

Ms. Herrera reviewed item R-35, Division of State Parks and Recreation, which is attached to these minutes. She noted an increase in reserve in the amount of $3.5 million in the first year of the biennium and $2.6 million the second year. The Senate took a $300,000 reduction the first year in the reserve line item. Ms. Herrera referred the committee to R-70 which lists the operating reserve for the Division of Parks and Recreation. Dr. Phil McKnelly, Director of the Division of Parks and Recreation, noted those are the operation moneys for projects coming on line as a result of the 1993 bond referendum. You will note the visitor centers and picnic areas. They have tried to do things that are visitor friendly with the moneys received over the years. The moneys have gone for water systems, repairs, and renovations; these are things the public does not see. There are plans for additions to the master plan, and they are coming on line. The first is a new visitor center at Hanging Rock State Park, and a number of others will be coming on. These are for the operations. Dr. McKnelly further stated they had projected it would run about 7 percent of capital cost to operate facilities. This group will come in at 6 percent. Representative Baker asked if $3,566,231 was the amount requested, and Dr. McKnelly replied that it was. Representative Hall asked if all the parks had been cleaned up due to damage caused by Hurricane Fran. Dr. McKnelly replied they hope to have the last debris cleaned in about two weeks. It has taken longer then they thought. Representative Hall noted that Raven Rock had been hit hard and asked if it had been closed. Dr. McKnelly stated that it had not been finished but most parks are partially open. The Division of State Parks and Recreation is negotiating with FEMA and are not sure how it will be resolved. Several areas have been contested and will have to be resolved. Representative Hall asked where funds would come from if FEMA doesn't

provide them, and Dr. McKnelly explained the only resource State Parks has would be the trust fund that is administered by the Parks Authority. The General Assembly authorized that last year. Representative Owens noted that State Parks personnel do a good job, and North Carolina doesn't fund parks like most states do and asked what kind of adverse effect the $300,000 reduction would have, and Dr. McKnelly stated he thought State Parks could manage. Representative Owens expressed concern over lands in State Parks not being utilized and timber is growing. It is deteriorating and you don't have fire breaks. He felt that management practices could be utilized, such as cutting the common pines and use the money for development and the people could use the land. Representative Weatherly noted that Dr. McKnelly had informed the committee that it would take basic changes in statutes to do this. If it takes basic changes in the law, the committee should proceed to do it. Representative Fox asked if the Senate is recommending to take out $300,000 and asked how they came up with that amount. Dr. McKnelly stated it came from one of the chairs and the committee agreed to accept this figure.

Ms. Herrera reviewed R-35, Division of Marine Fisheries, and is attached to these minutes. Dr. Betsy Bennett, Director of the Museum of Natural Sciences, was in attendance to answer questions. She noted they are running a museum now and also building a new one. The new positions are helping build the exhibits that will go in the new museum and bring collections so they can move in new facility. Last year we worked out educators that would be on the floor teaching the exhibits. Representative Owens asked how many people are you adding, and Dr. Bennett replied there will be 102 working in the new facility.

Ms. Moon reviewed R-36 and R-37, Division of Marine Fisheries, and is attached to these minutes. Ms. Moon noted there are two positions, operating and maintenance costs for patrol vessel capital improvement. In 1995, the General Assembly appropriated $300,000 for the replacement of a vessel used for enforcement activities. The Senate accepted and included funding in 1998-99 that was omitted in error. Ms. Moon stated that if the committee approves this item, it would need to be reflected in report as an increase the second year. The Senate corrected the error in their report. Representative Owens asked how many vacancies the division has, and Henry Lancaster replied that he did not know but would have information available at the afternoon meeting.

Ms. Moon reviewed R-38, Division of Soil and Water's Agriculture Cost Share program, which is attached to these minutes. Dewey Botts, Director of the Division of Soil and Water, was in attendance to answer questions. Representative Mitchell asked if the Senate took action on this, and Ms. Moon replied they did not with respect to cash balance. Mr. Botts reported that during the last year of a 5-year project to clean up $3,000 cost share with farmers that rules had been changed; they put in new water standards. A typical dairy might cost $200,000 to meet these standards. We cost share; they have to put in 25 percent. The division has fallen short of funding for technical assistance. Upkeep is for additional funds. Representative Baker asked what is the balance in the cost we are expecting at the end of June. Mr. Botts replied it will probably

be in excess of $2 million—part of it is encumbered funds. This is a process where local districts have to fix, for example, Iredell County has sixty plus dairies; they may have thirty of those operators having a contractor doing the work and they can encumber the funds. In other words, the government may say we have funds for you that we have contracted for; we do not write check until the work is verified and completed. There will probably be a big expenditure between now and the end of the year. Representative Baker asked if you have $10 million at the end of June and you put in another $7 million for cost share, would it mean you have $17 million available for disposition next year. He asked if they have a schedule to see what the cash requirements are from a cash flow point of view. Mr. Botts stated he had a survey listing funds that are available between now and the end of the year. Districts will need $9,327,403 more and we will put some funds in July plus shortfall is estimated at $3.5 million. That is one reason animal operation was requested.

Ms. Herrera reviewed R-39 and R-40, Division of Soil and Water, Agriculture Cost Share Program and Agriculture Cost Share Program Cash Balances and are attached to these minutes. Representative Weatherly asked Mr. Botts if he had estimated what the average engineering assistance is giving to farmers, and Mr. Botts stated that typical operation takes four weeks but will check and report back to the committee this afternoon. Representative Mitchell asked how much money is in the Clean Water Trust Fund, and Ms. Moon replied they had not disbursed any of that money. They waited to look at applications beginning July 1 and are not sure after that. Representative Mitchell noted a problem in cost share and gave example where Soil and Water personnel were working on a project with farmers in Alexander County. They had designed plans and the farmers were half through when the Division of Water Quality came along and killed the plans. There was discussion about the problems that need to be addressed. Henry Lancaster noted he hoped it would be a few cases. There are factors that come into play and noted that the person responsible for the plan may not necessarily be their own. They are still working to get those things accomplished. Cash flow question is a good one, but you have to be able to allocate money to the counties. Before contracts can be signed, money has to be in place. There is a time frame the work has to be completed.

Ms. Moon reviewed R-41, Funds to Assist Operators with Animal Waste Management Certification Requirements, which is attached to these minutes. Mr. Botts stated that the General Assembly put a million dollars in the budget last year to being in outside people to finish the 0.200 project. He noted that engineers and technical people are trying to finish and if action is taken now, they might not make deadline by the end of the year. He explained the engineering and technical needs.

Ms. Herrera reviewed R-42 which includes items for discussion on the State Parks System and is attached to these minutes. Representative Carpenter asked what are the new acquisitions, and Ms. Herrera explained it would be new land acquisition to existing parks. They have master plans and any kind of authorization that resulted from an authorization from the General Assembly to create a new state park would be used for land acquisition. Dr. McKnelly stated there have been two additions to the state parks

system. The Lumber River and Lake James were both added in 1987. Any other new park would have to be authorized by the General Assembly. Those funds are for land and capital facilities that have resulted due to the bond referendum. Any land acquisition would be based on master plans for existing parks. Representative Culp asked if there were plans at this time for new park acquisition, and Dr. McKnelly stated that the new park for Transylvania County is the only one going through the General Assembly. It has been authorized by the House. Representative Carpenter asked what the cost of the new acquisition would be, and Dr. McKnelly stated between $10 and $16 million. There has been some negotiations with Duke Power and that price may come down. They have not settled how much property would be included. Representative Carpenter asked what is the time frame and how long do you have before the State can purchase. Representative McKnelly stated that Duke Power has expressed their intent to sell the property and has offered it to the state or federal government. They would like it to be completed by 1999. Representative Carpenter asked where the funds would come from, and Dr. McKnelly said he would like to see a combination. He noted that the State Parks Act states if the General Assembly authorizes a new park, they should provide the funds and operations. We would like to see some of it from a one-time appropriation. He noted there are private funds being generated, two trust funds could be tapped, and there is the Natural Heritage Trust Fund, and the property would qualify for that. We would be meeting with other agencies through a board and possibly the Parks and Recreation Trust Fund could supply some of that money. Representative Culp asked how many counties are in this track of land, and Dr. McKnelly replied all of it is in Transylvania County.

Ms. Herrera reviewed R-43, Museum of Natural Sciences Operating Reserve, which is attached to these minutes. Representative Owens expressed concern that the division had forty employees a couple of years ago and after next year, you'll have 103 positions. Henry Lancaster stated there are currently sixty-seven people on staff and thirty-six would be added, which gives a total of 103 positions. Representative Owens asked why you need 150 percent in staffing, and Mr. Lancaster replied they'd be in a building four times larger and would need the additional employees. Representative Owens requested a copy of the duties and responsibilities of the employees, and Ms. Herrera stated she would get the information to the committee.

The meeting was adjourned at 9:50 a.m. to reconvene this afternoon fifteen minutes after session.

May 7, 1997 - 3:45 p.m.

The House Appropriations Sub-Committee on Natural and Economic Resources met Wednesday, May 7, 1997, at 3:45 p.m. in Room 605 of the Legislative Office Building. Representative Rex Baker, House Chair, called the meeting to order at 3:45 p.m. Members present were Representatives Baker, Mitchell, Carpenter, Culp, Fox, Hall, Howard Hunter, Owens, Tolson, Weatherly, and Wilkins.

Representative Baker turned the meeting over to Ms. Mona Moon to present the information the committee requested at the morning meeting on the number of vacancies in the department. She ran a new vacancy listing for the Department of Environment, Health, and Natural Resources and noted that according to PMIS, there are 377 vacancies. However, their listing is not always accurate, and sometime there are positions listed that should have been eliminated. The department might not be actively recruiting to fill those, and she noted that she did not know the percentage that would fall into that category. Henry Lancaster, Deputy Director of Environment, Health, and Natural Resources, noted that of the 377 vacancies, 22 employees are on leave without pay, 217 are positions that became vacant after January 1, 1997, and that leaves 138 vacancies.

Ms. Moon reported on the number of vacancies in the Division of Marine Fisheries. She noted there are 17. Thirteen are permanent full-time positions and three are permanent part-time positions. Henry Lancaster, stated that one of those vacancies is a person on short-term disability; 2 positions have been filled and are not in the system yet. That leaves 14 vacancies (5 are receipt positions and 9 are state appropriated positions).

Ms. Moon reported on Representative Owens' question regarding the number of positions that have been created since 1991. She noted that she did not have the specific information but Volume 5 of the Budget document lists the increase for 1991-92 was 634 positions. She noted it looks like 174 positions were created by the General Assembly that would have been offset by some positions eliminated by the General Assembly and also any position in operating reserves. The department asked State Personnel to run a report that would reflect more information on receipt positions. Mr. Lancaster noted that 1,032 positions were added to the department since 1991, 276 were state appropriated, and 756 were receipt- or federally- funded positions. Since that time, Museum of Natural Sciences, Aquariums, and Child Nutrition Section of Maternal Child Health, have been added to the department.

Representative Owens asked if a special provision could be put in when positions are added this year; so a report will be available to us when we come back next year. Ms. Moon stated that Fiscal Research could create a report when they do the special provision and will have reporting requirement. Ms. Moon asked the committee if the report should come back to the committee, and the chairs decided that the report should be presented to the committee and the Governor's Op.

Ms. Jennifer Herrera reported to the committee on the question raised in this morning's meeting on communication equipment, items and vehicle replacement and the $500,000 reduction taken by the senate. At this time, a handout was distributed to the committee entitled Division of Forest Resources Communication Budget Summary and is attached to these minutes. She noted the following reductions and impact:

$200,000
140,000
$340,000 = Total Reduction

$500,000 = Senate Reduction
340,000
$160,000 = Amount left for radio equipment line item

Ms. Herrera responded to the question on the oldest vehicles that are not being replaced. She noted there are 6 (six) 1986 trucks that will not be replaced. The trucks average 85,000 miles.

Ms. Herrera responded to the question on the duties and activities that are on line for the Museum of Natural Sciences. A handout, which was a memorandum from Lois Artis, Assistantant Secretary of the Department of Environment, Health, and Natural Resources, to Beth Christensen, was distributed to the committee members and is attached to these minutes. She referred the committee to R152-165 which lists positions that are coming on line for the upcoming biennium. R-161-165 lists the justification for positions in fiscal year 1998-99 and the duties.

The Fiscal Research staff began their review on R-44 , the Governor's Recommended Continuation Budget Adjustments (Summary Volume) for the Department of Environment, Health, and Natural Resources (DEHNR) and are attached to these minutes as follows:.

Environmental Protection Divisions - Henry Lancaster, Deputy Secretary of the Department of Environment, Health, and Natural Resources introduced Richard Fry, Director of the Radiation Protection, to answer questions. He explained the reason the equipment needed to be replaced is a combination of both lab and field equipment which are twenty years old and are no longer performing.

Water Quality - Fiscal Research staff noted that $382,700 was needed to replace vehicles, boats, and scientific equipment. Preston Howard, Director of Environmental Management, was in attendance to answer questions. Mr. Preston stated that the division has several vehicles which are in the 100,000 mile range. There are seven vehicles and piece of lab equipment which were purchased in 1970 and are costing more to maintain than to buy new ones. There are two boats that are also costing more to maintain than to buy new ones and two big motors (200 hp) which need repairing and some sampling

equipment. Representative Culp asked if the division sells vehicles or boats if the money would go back to them, and Mr. Howard replied it was surplus.

Division of Pollution Prevention and Environmental Assistance - Fiscal Research staff reported on the follow-up information on the department, program, activities, functions, and a list of grant recipients for the biennium as well as the feasibility of privatizing the division's technical assistance program. The handouts outline a recap of budget and positions, and lists the response to the feasibility of privatizing the division's technical assistance program, and grant recipients. Gary Hunt, Division Director, was in attendance to answer questions. Mr. Hunt explained the division's program and activities as follows: recycling business assistance center, technical assistance to communities and businesses, waste reduction resource center, administers solid waste management trust fund, outreach, education, and training, and environmental assistance. Representative Weatherly asked if they assist with recycling methods, and Mr. Hunt replied that they did with government and industries. Representative Weatherly asked if they issue grants and asked what their total grant money amounted to last year, and Mr. Hunt replied they did have a grant program and it amounted to just under $400,000. Representative Weatherly asked how much of that money came from tire fund, and Mr. Hunt replied all but $150,000.

Division of Air Quality - Alan Klimek was in attendance to answer questions. Representative Owens commented that the committee was told when meeting with the Senate that thirty-five positions had been added with receipts. Fiscal Research staff explained that fifty positions are funded with fuel tax receipts—fifteen are a result of action taken in 1995 by the General Assembly to eliminate fifteen general fund positions and shift those to fuel tax receipts. Representative Owens commented that he had become aware that the division has more legal responsibility than we were told last year. He asked how many positions are in Raleigh and how many are in the field, and Mr. Klimek reported that there are 150 in Raleigh and 120 in the region. The real complicated permits are handled in Raleigh as well as the Toxic Protection Unit and all planning and regulatory functions. Representative Owens stated that some positions have to have state matching for the federal funds. Mr. Klimex stated that maintenance of effort is basically saying the federal government would like to keep spending what is being spent now and there are two restrictions. One is to match amount to receive federal funds and are supposed to keep spending that amount. Representative Owens asked how much is the federal grant, and Mr. Klimex replied the amount is $1.8 million.

Division of Water Quality - The committee had placed a flag on maintenance of existing water quality programs. It was decided to defer the issue until expansion.

Division of Laboratory Services - Dr. Lou Turner, of the Laboratory Division, was in attendance to answer questions. The committee had questions when it was initially reviewed on the inflationary increases and the types of costs that go into this particular increase. Representative Baker asked if there were a 30 percent inflationary cost increase, and it was reported it was based on the amount budgeted for supplies and

scientific supplies. The $225,650 would represent about a 15 percent increase. In the second year, it would equate to a 30 percent increase over the current, but it is basically a 15 percent increase.

Division of Medicolegal Examination - Dr. John Butts was in attendance to answer questions. There was discussion about the replacement needs. Representative Owens asked if they needed all the money or could they receive some next year, and Dr. Butts replied they could receive some next year as some purchases could be deferred for a year.

Division of Health Promotion - Peter Anderson, Acting Director of the Division of Health Promotions, was in attendance to answer questions. Representative Baker noted it looked as if there would be no inflation the second year which is contrary to Laboratory Services and seems to be inconsistent budgeting techniques. He further asked if the division is projecting as much volume in terms of units in pharmaceuticals, physician services and inpatient hospitalization in the second year as in the first. Mr. Anderson replied no. Leah Devlin, Deputy State Health Director, commented that Laboratory Services needs the same types of things, but new requirements have been placed for different types of testing and that is part of the difference. J. W. Reel, Office of State Budget, explained the inflation rate noting that it was compiled using instructions but will get more information for the committee.

State Center for Health Statistics - Fiscal Research staff noted that the committee had placed a flag on the State Center for Health Statistics and requested a breakdown on positions and follow-up information on program activities and performance. The department's response can be found on R-95 and R-96. Delton Atkinson, Director of the State Center for Health Statistics, was in attendance to answer questions.

Handouts R53-65 were reviewed by the Fiscal Research staff and are attached to these minutes. The Division of Forest Resources Communication Budget Summary was also reviewed and is attached to these minutes. The memoranda from Preston Howard on the Risk Assessment Rules for the Underground Storage Tank Program and Explanation of the Scope of Duties for the Water Quality Section were not discussed and are attached to these minutes.

The meeting was adjourned at 4:45 p.m.

Respectfully submitted,

Representative Rex L. Baker
House Co-Chair

Jo Hinton
Committee Clerk

5-7-97
3:45 p.m. stay

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Natural and Economic Resources

Name of Committee | Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Johnny Gray	OSBM
Steve Weiss	OSBM
JW Reed	OSBM
Joe McClees	TDA
Dianne E Winner	EG H&S
Sam Wolfe	DMCH
Preston Howard	DEHNR - DWQ
Cathey Cottle	DWQ
HARLAN BRITT	DWQ
Kent Wiggins	DWQ
Matt Ebbedinger	DPPEA
Shawn Jones	DPPEA
Dary Hays	DPPEA
Dianne Parrish	EHNR - Forestry
Roger Schecter	EHNR - Coastal
Patricia A. Yancey	APPCNC/LLPP
Adam Searing	NC Health Access Coalition
Leah Devlin	EHNR - SHDO
Lou Turner	EHNR - Lab Services
John Brett	EHNR - OEPAE
Pat Beckwith	Public Health Communication
Carol Summons	265 Alley, PA
Ray S Boylan	Mem
Mary Glenn	DEHNR
Delton Atkinson	EHNR - SCHS
Torrey McLean	SCHS / DEHNR
RM Fry	DEHNR / DRP
Dewey Hall	" / Sec of Water
Jane Smith	DEHNR / Budget

Alan Klimek	DEHNR - DAQ
Russell Hageman	DEHNR - DAQ - Planning
DAVID HERLONG	State Planning
Andy Ellen	NC Farm Bureau

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

Administration, Reserves and Special Funds, Department-Wide Reductions

Governor's Recommended Continuation Budget Adjustments (Summary Volume)

	FY 1997-98	FY 1998-99
1) **Multi-County Water Conservation and Infrastructure District** – Nonrecurring funds appropriated for the district by the 1995 General Assembly were not eliminated from the 1997-99 continuation budget by error. (Senate accepted)	(500,000)	(500,000)
2) **Salary Reductions/Span of Control** – The Department's allocated share of this reduction. (Senate accepted)	(2,335,425)	(2,335,425)

R-29a.

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

SPAN REDUCTIONS

Division	Fund Number	Position Number	Classification	FTE	Pay Grade	Other	Salary	S.S.	Retirement	Hospital.	Total	Status	Supervisor Non-Sup.(
Administration													
Controller	1140		Accounting Clerk IV	1	59		$21,780	$1,666	$2,359	$1,736	$27,541	V	N
Gen. Svcs.	1140		Printing Equipt. Operator II	1	57		$20,109	$1,538	$2,178	$1,736	$25,561	V	N
ITS	1140		Computing Consultant III	1	72		$32,016	$2,449	$3,467	$1,736	$39,669	V	N
Personnel	1140		Personnel Supervisor I	1	76		$38,226	$2,924	$4,140	$1,736	$47,026	F	S
			Total Administration	**4.00**			**$112,131**	**$8,578**	**$12,144**	**$6,944**	**$139,797**		
Health													
Comm.	1425		PH Education Prod. Coord.	1	70T		$36,837	$2,818	$3,989	$1,736	$45,380	F	N
Local Hlth.	1410		Adm. Officer III	1	72		$25,208	$1,928	$2,730	$1,736	$31,602	F	S
Env. Hlth.	1490		Word Processor III	1	57		$19,033	$1,456	$2,061	$1,736	$24,286	F	N
Dental	1435		Dentist I	1	82		$80,553	$6,162	$8,724	$1,736	$97,175	V	S
State Ctr.	1160		Data Entry Spec.	1	58		$21,055	$1,611	$2,280	$1,736	$26,682	F	N
MCH	1510		PH Soc. Work Consultant	1	70		$30,895	$2,363	$3,346	$1,736	$38,340	V	N
	1535		PH Nurse Consultant II	1	75		$43,890	$3,358	$4,753	$1,736	$53,737	F	N
	1510		PH Nurse Consultant II	1	75		$42,124	$3,222	$4,562	$1,736	$51,645	F	N
	1540		Nutrition Prog. Consultant	1	74		$54,145	$4,142	$5,864	$1,736	$65,887	F	N
	1540		Nutrition Prog. Consultant	1	74		$41,657	$3,187	$4,511	$1,736	$51,091	F	N
	1520		PH Prog. Supv. II	1	72		$54,947	$4,203	$5,951	$1,736	$66,837	F	S
	1570		PH Prog. Consultant I	1	75		$29,845	$2,283	$3,232	$1,736	$37,096	F	N
	1530	Care Funds	Cystic Fibrosis Purchase of Care			$148,699					$148,699		
Hlth. Prom.	1555		PH Prog. Mgr. I	1	75		$45,613	$3,489	$4,940	$1,736	$55,778	F	S
	1550		PH Nurs. Consult. II	1	75		$43,651	$3,339	$4,727	$1,736	$53,454	F	N
	1550		*Office Assistant III	1	57		$22,893	$1,751	$2,479	$1,736	$28,860	F	N
			Total - Health	**15.00**		**$148,699**	**$592,346**	**$45,314**	**$64,151**	**$26,040**	**$876,551**		

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Div	Fund Number	Position Number	Classification	FTE	Grade	Other	Salary	S.S.	Retirement	Hospital.	Total	Status	Supervisor Non-Sup.(
Natural Resources													
Mar. Fisher	1320	Sal. Res.	(from position # 08372)				$5,355	$410	$580		$6,345		
	1320		(from position # 08372)				$6,344	$485	$687		$7,516		
	1320	Operating	Reduce Oyster Rehab. Program			$133,655					$133,655		
Soil & Wat	1310		Soils Survey Supervisor	1	71		$30,713	$2,350	$3,326	$1,736	$38,125	V	N
	1310	Operating	Equipment, Supplies, Travel			$56,875					$56,875		
Forest Res.	1210	Operating	Communications Equipment			$140,000					$140,000		
	1210		**Assistant County Ranger	0.6	60		$13,521	$1,034	$1,464	$1,042	$17,061	V	N
	1210		**Forest Fire Equipment Operator	0.6	63		$14,502	$1,109	$1,571	$1,042	$18,224	V	N
	1210		**Forestry Technician III	0.65	64		$15,946	$1,220	$1,727	$1,128	$20,021	V	S
	1210		**Forestry Technician I	0.6	60		$12,291	$940	$1,331	$1,042	$15,604	V	N
	1210		**Forestry Technician I	0.6	60		$17,046	$1,304	$1,846	$1,042	$21,238	V	N
	1240		Accounting Clerk IV	1	59		$20,768	$1,589	$2,249	$1,736	$26,342	V	N
	1260		Forestry Technician IV	1	66		$30,517	$2,335	$3,305	$1,736	$37,893	V	S
Env. Ed.	1120	Operating	Project Tomorrow Grants, Contracts			$25,000					$25,000		
Aquariums	1355	Operating	Supplies, Materials			$41,777					$41,777		
Museum	1360	Operating	Temporary Wages			$50,000					$50,000		
Parks	1280&1290	Operating	Increase Receipts			$140,000					$140,000		
Zoo	1305		Tram Asst. Supervisor	0.85	58		$15,289	$994	$1,407	$1,476	$19,166	V	S
	1305		Sales Clerk II	0.4	53		$6,328	$484	$685	$694	$8,192	V	N
	1305		Cook II	0.3	55		$4,826	$369	$523	$521	$6,239	V	N
	1305		Processing Asst. III	1	57		$17,552	$1,343	$1,901	$1,736	$22,532	V	N
	1305		Artist Illustrator	1	64		$22,903	$1,752	$2,480	$1,736	$28,871	V	N
			Total - Natural Resources	**9.60**		**$587,307**	**$233,901**	**$17,718**	**$25,083**	**$16,666**	**$880,675**		

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

SPAN REDUCTIONS

R-29c

Division	Fund Number	Position Number	Classification	FTE	Pay Grade	Other	Salary	S.S.	Retirement	Hospital.	Total	Status	Supervisor Non-Sup.(
Environment													
Air Quality	1770		*Processing Assist. III	1	57		$14,660	$1,121	$1,588	$1,736	$19,105	V	N
DWQ	1635		Chemistry Technician III	1	68		$27,017	$2,067	$2,926	$1,736	$33,746	V	N
	1655		Chemist I	1	72		$32,016	$2,449	$3,467	$1,736	$39,669	F	N
	1655		Artist Illustrator II	1	64		$26,033	$1,992	$2,819	$1,736	$32,580	V	N
	1690	Sal.Res.	(from #31528)		75		$7,124	$545	$772	$1,736	$10,177	V	S
	1695	Sal.Res.	(from #31517)		77		$26,943	$2,061	$2,918	$1,736	$33,658	V	S
	1680	Sal.Res.	(from #31515)		75		$20,302	$1,553	$2,199	$1,736	$25,790	F	S
	1630	Operating	Wetlands Fund			$14,449					$14,449		
Coastal	1625		Community Development Planner I	1	70		$19,693	$1,507	$2,133	$1,736	$25,068	V	N
Land Res.	1740		Environmental Engineer I	1	73		$35,063	$2,682	$3,797	$1,736	$43,279	F	N
	1740	Operating				$12,124					$12,124		
DWR	1620		Environmental Tech III	1	65		$23,831	$1,823	$2,581	$1,736	$29,971	V	N
DPPEA	1615		Environmental Biologist II	1	70		$16,000	$1,224	$1,733	$843	$19,800	V	N
	1615	Operating				$2,332					$2,332		
Rad. Prot.	1755	Contracts				$25,094					$25,094		
Waste Mg	1760		Environmental Supervisor	1	76T		$47,966	$3,669	$5,195	$1,736	$58,566	F	S
	1760	Operating				$12,996					$12,996		
			Total - Environment	**9.00**		**$66,995**	**$296,648**	**$22,694**	**$32,127**	**$19,939**	**$438,403**		

R-29d

SPAN OF CONTROL STATUS

Area	Division	Feb., 97 Average Span	Apr., 97 Average Span	After Reduction Average Span	Feb., 97 Total Number of Levels	April, 97 Total Number of Levels
Natural Resources	Aquariums	2.83	7.29	7.29	6	6
	Environmental Education	4.5	4.5	4.5	5	5
	Forest Resources	3.3	3.98	4.06	10	9
	Marine Fisheries	3.02	3.48	3.48	10	10
	Museum of Natural Sciences	3.63	7.67	7.67	6	6
	Parks & Recreation	3.24	3.48	3.48	9	9
	Soil & Water	3.21	15	14.75	7	5
	Zoo	4.95	6.71	6.66	8	7
	Total	**3.45**	**4.34**	**4.32**		
Health	Director's Office	4.00	4.00	4.20	4	4
	Dental	8.4	8.40	9.33	7	7
	Epidemiology	3.37	6.08	6.08	10	7
	Health Promotion	3.65	3.65	3.70	8	8
	Maternal & Child Health	7.62	7.62	7.63	8	8
	Environmental Health	6.19	6.69	6.65	7	7
	Health Statistics	4.76	5.38	5.35	8	7
	Lab	5.59	5.59	5.59	7	7
	Medical Examiner's Office	2.43	2.63	2.63	7	7
	Total	**5.22**	**6.02**	**5.97**		
Environmental Protection	Air Quality	10.81	10.81	10.81	7	7
	Coastal Management	5.32	4.54	4.46	7	6
	Land Resources	2.57	3.65	3.55	8	7
	Pollution Prevention	5.86	6.00	6.00	5	5
	Radiation Protection	6	6.50	6.50	8	7
	Waste Management	5.55	5.55	5.71	8	8
	Water Quality	5.73	5.73	5.88	8	8
	Water Resources	3.33	6.00	5.80	7	6
	Total	**5.75**	**6.13**	**6.20**		
Administration	Budget, Planning & Analysis	8	8.00	8.00	4	4
	Controller	4.71	4.71	4.64	7	7
	Personnel/Human Resources	3.33	3.80	4.75	6	5
	EEO	1	1.00	1.00	4	4
	Information Technology	4.67	5.33	5.33	6	6
	General Services	4.29	4.29	4.14	6	6
	Secretary's Office	8.11	7.25	7.25	6	6
	Public Affairs	3.5	3.50	3.50	5	5
	Regional Offices		5.62	5.62		5
	Total	**5.07**	**5.16**	**4.87**		
Department Total		**4.53**	**5.27**	**5.24**	**6.75**	**6.42**

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

Committee Discussion Issues

1) The committee requested additional information on the following issue, including organizational charts for the administrative divisions, a reconciliation of the 281 positions in the Governor's recommended continuation budget vs. 330 administrative positions referenced by the department, list of current vacant positions, and a status report of program positions established and operating support appropriated by the General Assembly since the 1993-94 fiscal year

Departmental Administrative Staffing

Executive Office/Regional Offices/Administrative Services					
Summary of Position Changes	**FY 93-94**	**FY 94-95**	**FY 95-96**	**FY 96-97**	**Total**
New Positions	10	1	7	0	18
Abolished Positions	0	1	5	0	6
Positions Transfers					
To Administration From Programs	1	6	1	8	16
From Administration To Programs	7	1	3	0	11

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

Positions Transferred to Administration

Year	Position Title	Transferred From
FY 93-94	Applications Development Analyst	Epidemiology
FY 94-95	Community Development Specialist I	Forestry
FY 94-95	Office Assistant II	Environmental Health
FY 94-95	Public Health Program Manager	Maternal and Child Health
FY 94-95	Office Assistant IV	Health Promotion
FY 94-95	Office Assistant IV	Land Resources
FY 94-95	Radiation Emergency Coordinator	Radiation Protection
FY 95-96	Dentist I	Dental Health
FY 96-97	Zookeeper II	NC Zoo
FY 96-97	Marine Fisheries Technician II	Marine Fisheries
FY 96-97	Hydrogeological Technician II	Water Quality
FY 96-97	Public Health Regional Dentist Supervisor	Dental Health
FY 96-97	Speech and Language Pathologist I	Maternal and Child Health
FY 96-97	Processing Assistant	Water Quality
FY 96-97	Processing Assistant	Museum of Natural Sciences
FY 96-97	Forestry Technician IV	Forestry

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

Positions Transferred from Administration

Year	Position Title	Transferred To
FY 93-94	Accountant I	Epidemiology
FY 93-94	Consulting Engineer	Environmental Management
FY 93-94	Program Development Specialist	Environmental Management
FY 93-94	Administrative Assistant	Environmental Management
FY 93-94	Applications Developer	State Center for Health Statistics
FY 93-94	Public Health Program Consultant	State Center for Health Statistics
FY 93-94	Office Assistant II	State Center for Health Statistics
FY 94-95	Program Assistant I	Epidemiology
FY 95-96	Applications Developer	State Center for Health Statistics
FY 95-96	Applications Programmer	State Center for Health Statistics
FY 95-96	Applications Analyst	State Center for Health Statistics

The committee may wish to have the department:

1. comment on these changes
2. explain the rationale for transferring positions from programs responsible for service delivery to departmental administration
3. discuss the impact of such changes over time on program efforts and service delivery

R-33

2) The committee requested additional information on the following issue, including the department's current salary reserve balance, the number of requests to waive management reserve set aside policy, the number of waivers granted and amounts.

Departmental Policy on Salary Reserve

State agencies generate salary reserve when a position is filled at a salary below the actual amount budgeted for the position. The department changed its policy governing the use of salary reserve funds effective October 1, 1996. The new policy requires 30% of all salary reserve generated within the department to be set aside in a management reserve account. The management reserve may be used to fill critical positions and to implement position reclassifications and in-range salary adjustments for divisions that do not typically generate salary reserve necessary to fund such personnel transactions.

The committee may wish to have the department:

1. comment on the need for this policy change
2. explain how the funds in the management reserve have been allocated
3. discuss the impact on divisions and programs that lose a portion of their salary reserve as a result of this new policy

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

R-34

Natural Resources Divisions

Governor's Recommended Continuation Budget Adjustments (Summary Volume)

Division of Forest Resources

	FY 1997-98	FY 1998-99
1) **Increase Forestry Receipts - Reduce Appropriations** - A reduction in appropriations is recommended by making an adjustment to receipts from counties. The counties share in the cost of the forestry operations with a match of 25% to 40% based on the tax base of the county. (Senate accepted)		
Requirements	----------	----------
Receipts	120,000	120,000
Appropriation	(120,000)	(120,000)
2) **Reductions in Forestry Field Operations Equipment** – A reduction in appropriations is recommended due to an adjustment in the schedule for completion of the statewide radio system. (Senate accepted)	(200,000)	(200,000)

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

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Major Continuation Budget Increases	**FY 1997-98**	**FY 1998-99**
Division of Forest Resources		
1) Increase for equipment replacement (Senate accepted with an additional reduction of 500,000 R)	$2,029,960	$1,705,537
Division of Parks and Recreation		
2) Reserve for Park Operations (Senate accepted with a reduction of $300,000 NR) — to accept	$3,566,231	$2,595,989
Museum of Natural Sciences		
3) Reserve for Operations of New Museum (Senate accepted)	$926,431	$1,943,480
Division of Marine Fisheries		
4) Increase for 2 positions, operating and maintenance costs for patrol vessel capital improvement appropriation for the 1996-97 fiscal year. (In 1995 the General Assembly appropriated $300,000 for the replacement of a vessel used for enforcement activities). (Senate accepted and included funding in 1998-99 that was omitted in error)	$97,436	— some not recurring
5) Increase for equipment replacement (Senate accepted)	$298,000	$124,000

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

R-36

Committee Discussion Issues

Division of Marine Fisheries

1) In 1995 the General Assembly appropriated $25,000 for travel and related expenses of the Fisheries Moratorium Steering Committee. Given that the Steering Committee submitted its final report to the Joint Legislative Commission on Seafood and Aquaculture in October 1996, the committee may wish to consider eliminating this funding from the Division's continuation budget.

	FY 1997-98	FY 1998-99
Eliminate funding for Fisheries Moratorium Steering Committee (Senate accepted)	($25,000)	($25,000)

boat tax / trailer rebates

2) The committee requested additional information on the Marine Fisheries Law Enforcement Officer positions and operating support funded in the 1995 session.

	FY 1995-96	FY 1996-97
Additional Marine Fisheries Law Enforcement Positions	$763,892 $500,000 NR 7.0	$763,892 7.0

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

A memo from the department to Fiscal Research dated May 22, 1995 indicates that a portion of the request was dedicated to existing staff, in addition to the salary and operating expenses associated with the new positions requested.

The Worksheet II Expansion Budget Request submitted by the department provides line-item detail for this request. The worksheet indicates a $187,321 reduction in total requirements for this request beginning with the 1997-98 fiscal year, necessitating a general fund appropriation in the continuation budget of $576,571 to maintain support of the additional enforcement officers.

The committee may wish to consider reducing the division's general fund appropriation to reflect reduced equipment needs associated with this request in accordance with the five year fiscal estimate submitted by the department.

	FY 1997-98	FY 1998-99
Reduce equipment budget	($187,321)	($187,321)

(Senate accepted)

R-33

Division of Soil and Water Conservation

3) **Agriculture Cost Share Program**

The Nonpoint Source Pollution Control Program (i.e. the Agriculture Cost Share Program) provides financial incentives and technical assistance to farmers to encourage the installation of best management practices (BMPs) to protect water quality by controlling agricultural nonpoint source pollution. Under the program, the state cost shares with landowners up to 75% of the installation costs for BMPs, up to a maximum of $75,000 per year. The continuation budget includes a total of $8.2 million for this program ($6.9 million for BMPs and $1.3 million for technical assistance).

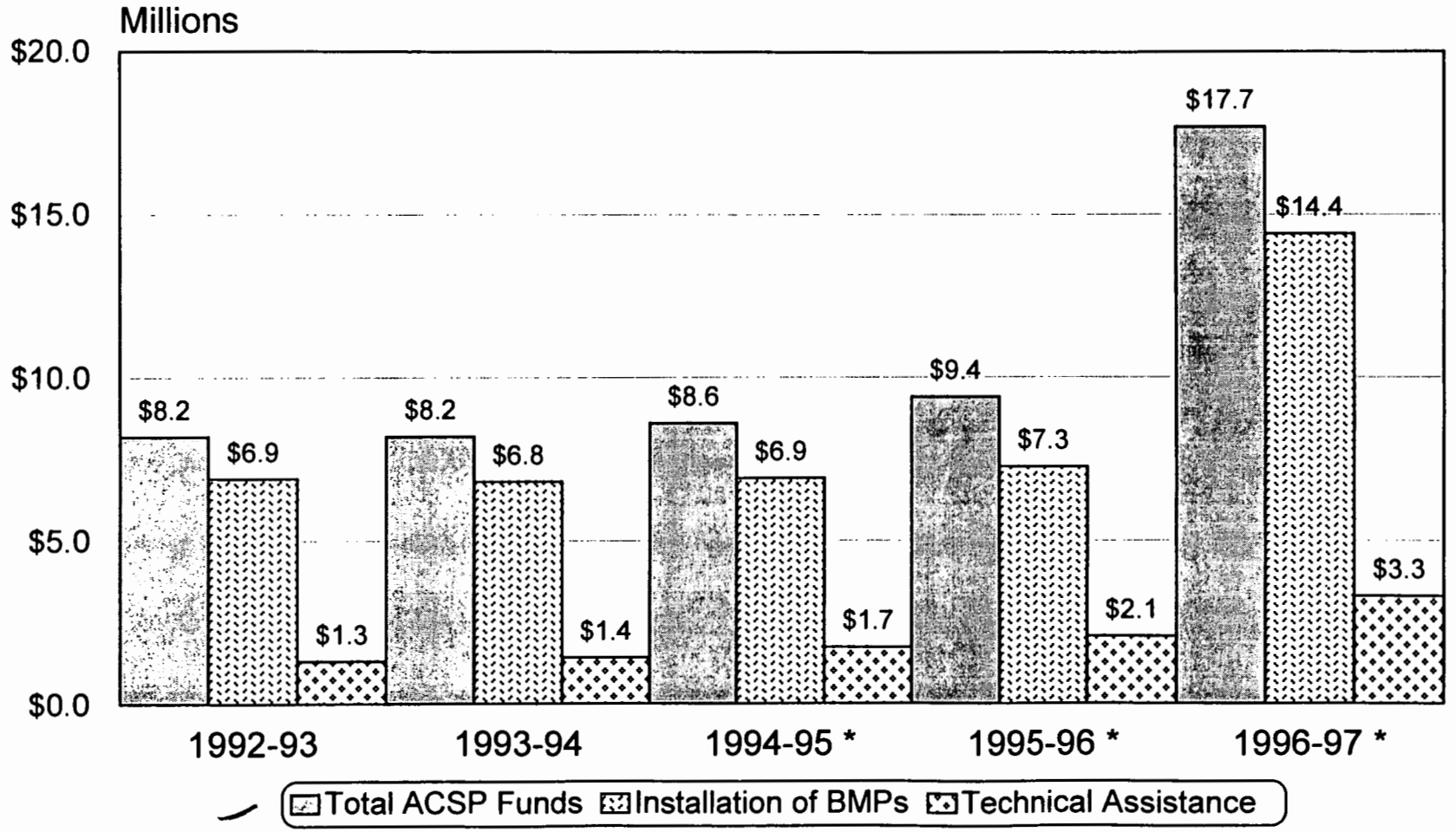
In accordance with G.S. 143-215.74(6)(d) funds appropriated for the Agriculture Cost Share Program do not revert, but remain available for the purposes of the program until expended. As a result of this requirement, the ending cash balances of the Agriculture Cost Share special funds are growing. The committee may wish to have the division explain the allocation of funds and timing of actual expenditures, as well as discuss how the level of continuing appropriations might be adjusted to more accurately reflect required annual expenditures.

R-39

Division of Soil and Water Conservation

Agriculture Cost Share Program

5-Year Funding History



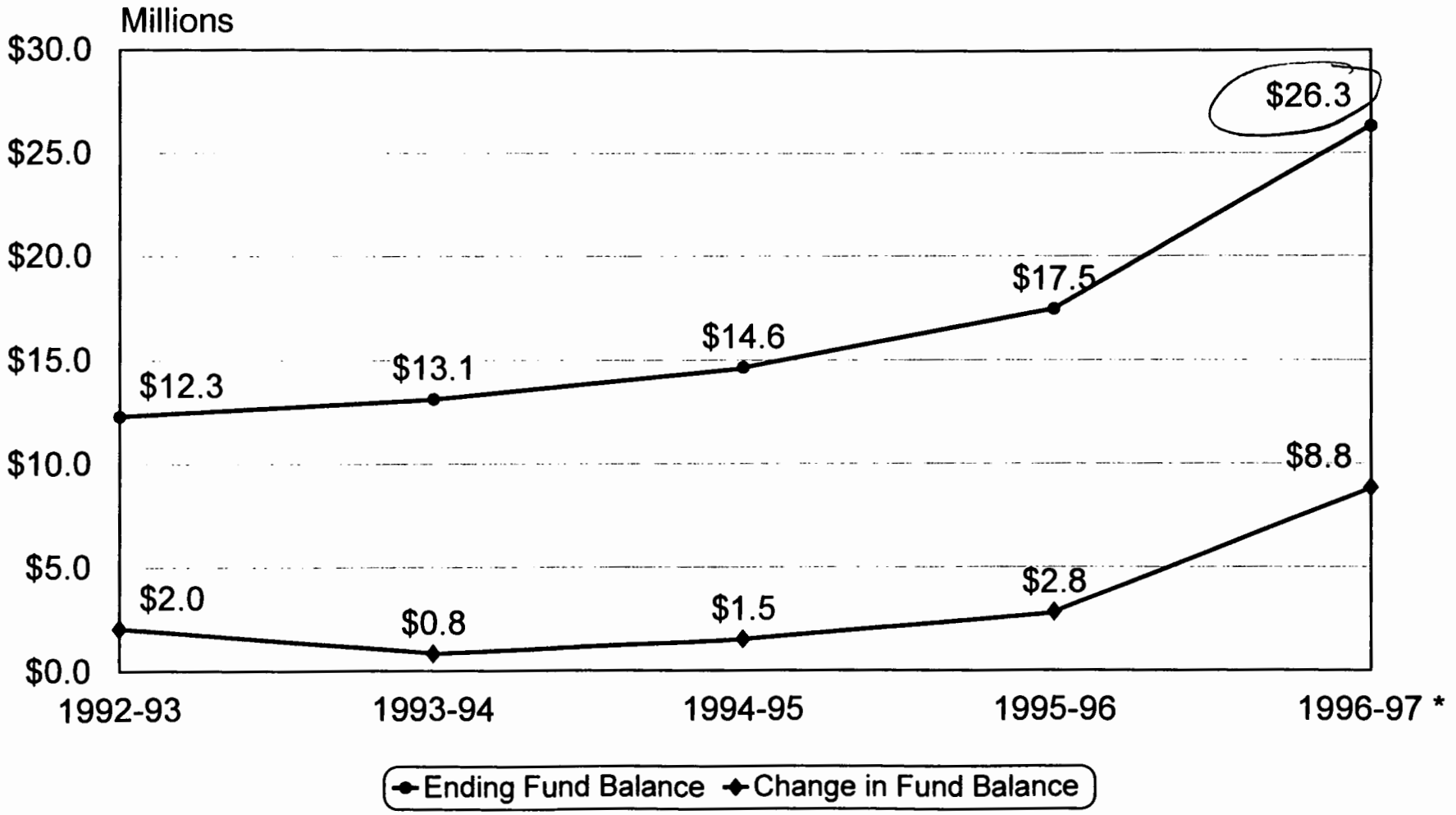
* *Includes positions and support to assist animal operators.*

Fiscal Research Division -- February 1997

Division of Soil and Water Conservation

R-40

Agriculture Cost Share Program Cash Balances



Fiscal Research Division -- February 1997

* Estimated

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4) **Funds to Assist Operators with Animal Waste Management Certification Requirements**

The General Assembly appropriated $180,000 for the 1994-95 fiscal year to establish 3 positions and $427,510 for the 1995-96 fiscal year to establish an additional 8 positions to assist agriculture operations in obtaining approved animal waste management plans. The state's "0.200" non-discharge regulations for animal operations require operations to have certified plans by December 1997. Given that the deadline for compliance with these regulations will pass during the upcoming 1997-98 fiscal year, the committee may wish to consider reducing or eliminating the funding for this assistance.

The division does not expect all operations to be in compliance by December 1997. Further the division has disclosed a desire to retain these positions and realign the job duties as the need for assistance with animal waste management systems is reduced. The committee may wish to have the division comment on the anticipated duties and job functions of these positions after December 1997.

R-42

Division of Forest Resources

5) **Forestry Field Operations**

The Governor's recommended continuation budget for forestry field operations includes a net increase of $2,029,960 in FY 1997-98 and $1,705,537 in FY 1998-99 for property, plant and equipment items. The committee reviewed equipment replacement schedules during budget hearings that covered trucks, tractors, airplanes and trailers, ranging in model year from 1953 (airplanes) to 1993. Given that the Division's current authorized budget includes $2,355,538 for property, plant and equipment items, the committee may wish to consider delaying the replacement of vehicles to effectuate a general fund savings this biennium.

Division of Parks and Recreation

6) **State Parks System**

Since 1993, the General Assembly has authorized a number of capital improvements, new acquisitions and facilities to be added to the State Parks System. The Governor's recommended continuation budget for state parks field operations includes an increase of $3,556,231 in FY 1997-98 and $2,595,989 in FY 1998-99 for a reserve to fund the operations of these projects. The committee may wish to consider reducing the appropriation for the reserve, thereby delaying the schedule for bringing new projects on line.

R-43

Museum of Natural Sciences

7) **Museum of Natural Sciences Operating Reserve**

The Governor's recommended continuation budget includes reserves of $926,431 in FY 1997-98 and $1,943,480 in FY 1998-99. It is anticipated that over the course of the 1997-99 biennium, an additional 36 positions will be added to the Museum's current staff of 67. The Committee may wish to ask the Department to discuss (1) the anticipated total staffing needs for the new museum, (2) the duties and activities of the 27 positions hired over the 1995-97 biennium in anticipation of the opening of the new museum in 1999, and (3) activity profiles of the new positions expected over the upcoming biennium.

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HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

R-414

Environmental Protection Divisions

Governor's Recommended Continuation Budget Adjustments (Summary Volume)

None

Major Continuation Budget Increases	FY 1997-98	FY 1998-99
Division of Radiation Protection		
1) Increase for equipment replacement (Senate accepted)	$173,500	
Division of Water Quality		
2) Increase to replace vehicles, boats and scientific equipment (Senate accepted)	$382,700	

Committee Discussion Issues

1) **Division of Pollution Prevention and Environmental Assistance**

The committee placed a flag on the Division of Pollution Prevention and Environmental Assistance and requested follow-up information on the division's programs, activities and functions, as well as a list of grant recipients for the current biennium and an analysis of the feasibility of privatizing the division's technical assistance programs.

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

R-45

Department of Environment, Health, and Natural Resources

Division of Pollution Prevention and Environmental Assistance *							
			Current Fiscal Year	Governor's Continuation Request			
	1994-95 Actual	1995-96 Actual	1996-97 Authorized January	1997-98 Recommended	%Δ	1998-99 Recommended	%Δ
Expenditures	1,685,482	1,901,007	2,271,702	2,215,584	-2.5%	2,219,172	-2.3%
Less Receipts	(168,635)	(457,515)	(586,638)	(572,445)	-2.4%	(572,879)	-2.3%
State Appropriations	*1,516,847*	*1,443,492*	*1,685,064*	*1,643,139*	-2.5%	*1,646,293*	-2.3%
Positions	30.00	28.00	36.00	36.00		36.00	

%Δ = Percentage change in budget over/under Current Fiscal Year 1996-97 Authorized budget.

* *formerly the Office of Waste Reduction*

DIVISION PROGRAMS AND ACTIVITIES

- Recycling Business Assistance Center
- Technical Assistance to Communities and Businesses
- Waste Reduction Resource Center
- Administers Solid Waste Management Trust Fund
- Outreach, Education and Training
- Environmental Assistance

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

B-46

Division of Air Quality

2) **Permit Fees and Fuel Tax Receipts**

The division's programs and activities are supported primarily with permit fees and fuel tax receipts. For the 1994-95 fiscal year, permit fees and fuel tax receipts accounted for $3,556,526 of the $4,024,732 increase in the cash balance of the Air Quality Division's special funds. For the 1995-96 fiscal year, these receipts accounted for $4,873,454 of the $5,054,046 increase in the cash balance. The committee may wish to have the division explain the current and planned use of these receipts, and comment on the growing cash balance.

The committee requested follow-up information on the division's cash balances and the use of receipts, as well as documentation of any state matching requirements and a list of new positions created since 1995.

(Senate took $200,000 R reduction to adjust receipts)

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

R-47

Department of Environment, Health, and Natural Resources

Division of Air Quality *							
			Current Fiscal Year	Governor's Continuation Request			
	1994-95 Actual	1995-96 Actual	1996-97 Authorized January	1997-98 Recommended	%Δ	1998-99 Recommended	%Δ
Expenditures	12,056,010	15,583,613	19,249,276	19,088,407	-0.8%	19,092,640	-0.8%
Less Receipts	(14,165,239)	(19,057,882)	(17,783,052)	(17,876,491)	0.5%	(17,880,097)	0.5%
Cash Balance +/-	4,024,732	5,054,046	-	-		-	
State Appropriations	*1,915,503*	*1,579,777*	*1,466,224*	*1,211,916*	-17.3%	*1,212,543*	-17.3%
Positions	284.00	285.75	278.75	278.75		278.75	

R-48

Division of Water Quality

3) The committee placed a flag on the following issue:

Maintenance of Existing Water Quality Programs

The Governor's recommended expansion budget includes a nonrecurring appropriation for the division *to maintain existing staff to continue water quality programs and activities at their current level*. The division cites a reduction in program receipts from streamlining the permitting process and reductions in federal funds as contributing factors to this operational problem. Although this request is part of the Governor's expansion budget, the committee may wish to have the division comment on the need for these funds since the request is to continue the current level of operations rather than expand activities.

	FY 1997-98	FY 1998-99
Nonrecurring funds to allow the Division of Water Quality continue to carry out current programs and provide current levels of service.	$2,022,887	

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

B-49

Health Divisions

Governor's Recommended Continuation Budget Adjustments (Summary Volume)

None

Major Continuation Budget Increases

	FY 1997-98	FY 1998-99
Division of Laboratory Services		
1) Allowed inflationary increase for scientific supplies. (Senate accepted)	$225,650	$513,203
Division of Medicolegal Examination		
2) Increase to replace outdated medical and laboratory equipment used to provide medical examination services, particularly in assisting law enforcement and criminal justice agencies. (Senate accepted)	$199,900 NR	
Division of Health Promotion		
3) Allowed inflationary adjustment for pharmaceuticals, physician services and inpatient hospitalization. (Senate accepted)	$325,728	$332,128

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

R-50

Committee Discussion Issues

State Center for Health Statistics

1) The committee placed a flag on the State Center for Health Statistics and requested a breakdown of positions by program and follow-up information on program activities and performance.

Department of Environment, Health, and Natural Resources

State Center for Health Statistics *							
			Current Fiscal Year	Governor's Continuation Request			
	1994-95 Actual	1995-96 Actual	1996-97 Authorized January	1997-98 Recommended	%Δ	1998-99 Recommended	%Δ
Expenditures	5,056,273	5,967,859	6,669,216	6,375,854	-4.4%	6,378,103	-4.4%
Less Receipts	(2,154,167)	(2,848,019)	(3,194,537)	(3,027,552)	-5.2%	(3,027,552)	-5.2%
Cash Balance +/-	(26,395)	60,058	-	-		-	
State Appropriations	*2,875,711*	*3,179,898*	*3,474,679*	*3,348,302*	-3.6%	*3,350,551*	-3.6%
Positions	135.80	137.80	134.80	134.80		134.80	

%Δ = Percentage change in budget over/under Current Fiscal Year 1996-97 Authorized budget.

** formerly the State Center for Health and Environmental Statistics*

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

R-51

CENTER ACTIVITIES

The State Center for Health Statistics is responsible for developing, maintaining and disseminating information and statistics on the health status of North Carolinians; evaluating and reporting on the impact of health-related programs and services; assisting state and local agencies in assessing and monitoring health, and administering the state's vital records functions.

Maternal and Child Health

2) The committee placed a flag on the Non-Medicaid Maternity Care Coordination reduction taken in the 1996 Session.

	FY 1996-97
Reduce funds for case management services for women who do not meet Medicaid eligibility requirements.	($170,900)

Division of Laboratory Services

3) The committee requested additional information to justify the inflationary increase in the division's continuation budget for scientific supplies.

	FY 1997-98	FY 1998-99
Allowed inflationary increase for scientific supplies. (Senate accepted)	$225,650	$513,203

R-52

Wildlife Resources Commission

Committee Discussion Issues

1) Operating support for the Wildlife Resources Commission comes principally from receipts generated by the sale of hunting and fishing licenses. With regards to legislative salary increases, other state agencies are required to provide this salary increase for federal and receipt supported positions with receipts/other funds collected within the agency. The Wildlife Commission is an example of an exception where legislative salary increases for receipt supported positions (i.e. Wildlife Fund) have, in the past, been supported with general fund sales and use tax revenues. (In accordance with G.S. 105-164.44B, a portion of the proceeds from the sales and use tax on fishing and hunting supplies and equipment is already transferred to the Wildlife Fund quarterly). The Committee may wish to have the Commission explain how this transfer works, and comment on the rationale behind continuing this practice.

(Senate included special provision which allows additional funds to be transferred for legislative salary increases)

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

B-46

Division of Air Quality

2) **Permit Fees and Fuel Tax Receipts**

The division's programs and activities are supported primarily with permit fees and fuel tax receipts. For the 1994-95 fiscal year, permit fees and fuel tax receipts accounted for $3,556,526 of the $4,024,732 increase in the cash balance of the Air Quality Division's special funds. For the 1995-96 fiscal year, these receipts accounted for $4,873,454 of the $5,054,046 increase in the cash balance. The committee may wish to have the division explain the current and planned use of these receipts, and comment on the growing cash balance.

The committee requested follow-up information on the division's cash balances and the use of receipts, as well as documentation of any state matching requirements and a list of new positions created since 1995.

(Senate took $200,000 R reduction to adjust receipts)

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

R-45

Department of Environment, Health, and Natural Resources

Division of Pollution Prevention and Environmental Assistance *							
			Current Fiscal Year	Governor's Continuation Request			
	1994-95 Actual	1995-96 Actual	1996-97 Authorized January	1997-98 Recommended	%Δ	1998-99 Recommended	%Δ
Expenditures	1,685,482	1,901,007	2,271,702	2,215,584	-2.5%	2,219,172	-2.3%
Less Receipts	(168,635)	(457,515)	(586,638)	(572,445)	-2.4%	(572,879)	-2.3%
State Appropriations	*1,516,847*	*1,443,492*	*1,685,064*	*1,643,139*	-2.5%	*1,646,293*	-2.3%
Positions	30.00	28.00	36.00	36.00		36.00	

%Δ = Percentage change in budget over/under Current Fiscal Year 1996-97 Authorized budget.

* *formerly the Office of Waste Reduction*

DIVISION PROGRAMS AND ACTIVITIES

- Recycling Business Assistance Center
- Technical Assistance to Communities and Businesses
- Waste Reduction Resource Center
- Administers Solid Waste Management Trust Fund
- Outreach, Education and Training
- Environmental Assistance

R-48

Division of Water Quality

3) The committee placed a flag on the following issue:

Maintenance of Existing Water Quality Programs

The Governor's recommended expansion budget includes a nonrecurring appropriation for the division *to maintain existing staff to continue water quality programs and activities at their current level*. The division cites a reduction in program receipts from streamlining the permitting process and reductions in federal funds as contributing factors to this operational problem. Although this request is part of the Governor's expansion budget, the committee may wish to have the division comment on the need for these funds since the request is to continue the current level of operations rather than expand activities.

	FY 1997-98	FY 1998-99
Nonrecurring funds to allow the Division of Water Quality continue to carry out current programs and provide current levels of service.	$2,022,887	

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

R-47

Department of Environment, Health, and Natural Resources

Division of Air Quality *							
			Current Fiscal Year	Governor's Continuation Request			
	1994-95 Actual	1995-96 Actual	1996-97 Authorized January	1997-98 Recommended	%Δ	1998-99 Recommended	%Δ
Expenditures	12,056,010	15,583,613	19,249,276	19,088,407	-0.8%	19,092,640	-0.8%
Less Receipts	(14,165,239)	(19,057,882)	(17,783,052)	(17,876,491)	0.5%	(17,880,097)	0.5%
Cash Balance +/-	4,024,732	5,054,046	-	-		-	
State Appropriations	*1,915,503*	*1,579,777*	*1,466,224*	*1,211,916*	-17.3%	*1,212,543*	-17.3%
Positions	284.00	285.75	278.75	278.75		278.75	

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

R-50

Committee Discussion Issues

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HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

B-49

Health Divisions

Governor's Recommended Continuation Budget Adjustments (Summary Volume)

None

Major Continuation Budget Increases

	FY 1997-98	FY 1998-99
Division of Laboratory Services		
1) Allowed inflationary increase for scientific supplies. (Senate accepted)	$225,650	$513,203
Division of Medicolegal Examination		
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3) Allowed inflationary adjustment for pharmaceuticals, physician services and inpatient hospitalization. (Senate accepted)	$325,728	$332,128

HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

R-52

Wildlife Resources Commission

Committee Discussion Issues

1) Operating support for the Wildlife Resources Commission comes principally from receipts generated by the sale of hunting and fishing licenses. With regards to legislative salary increases, other state agencies are required to provide this salary increase for federal and receipt supported positions with receipts/other funds collected within the agency. The Wildlife Commission is an example of an exception where legislative salary increases for receipt supported positions (i.e. Wildlife Fund) have, in the past, been supported with general fund sales and use tax revenues. (In accordance with G.S. 105-164.44B, a portion of the proceeds from the sales and use tax on fishing and hunting supplies and equipment is already transferred to the Wildlife Fund quarterly). The Committee may wish to have the Commission explain how this transfer works, and comment on the rationale behind continuing this practice.

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HOUSE NER SUBOMMITTEE REVIEW
ENVIRONMENT, HEALTH AND NATURAL RESOURCES

R-51

CENTER ACTIVITIES

The State Center for Health Statistics is responsible for developing, maintaining and disseminating information and statistics on the health status of North Carolinians; evaluating and reporting on the impact of health-related programs and services; assisting state and local agencies in assessing and monitoring health, and administering the state's vital records functions.

Maternal and Child Health

2) The committee placed a flag on the Non-Medicaid Maternity Care Coordination reduction taken in the 1996 Session.

	FY 1996-97
Reduce funds for case management services for women who do not meet Medicaid eligibility requirements.	($170,900)

Division of Laboratory Services

3) The committee requested additional information to justify the inflationary increase in the division's continuation budget for scientific supplies.

	FY 1997-98	FY 1998-99
Allowed inflationary increase for scientific supplies. (Senate accepted)	$225,650	$513,203

RECONCILIATION OF POSITION COUNT

R-53

The position count for Administration used by Mrs. Lois Artis-Murray during the afternoon session of the NER Subcommittee on Appropriations was 330. The Continuation Budget for Funds 1110 - Executive Staff, 1130 - Regional Offices, and 1140 - Administrative Services, contains a total of 281 positions.

The number used by Mrs. Artis-Murray included positions that are numbered in the administrative series of the personnel numbering system for the Department, but are not a part of Funds 1110, 1130, 1140. The positions that should have been excluded are:

Beginning position count:		330
Fund 1160	1	
Fund 1410	15	
Fund 1430	3	
Fund 1555	1	
Fund 1425	10	
Fund 1120	10	
Fund 1460	.5	
Fund 1450	.5	
Subtotal - Inappropriately counted		41
Position Count in Funds 1110, 1130, & 1140		289

The Continuation budget reflects a position count of 281. Eight positions have been transferred to Administrative Services to improve the financial management of the Controller's office and to improve the ability of the Department to provide technical support to the information systems of the various programs since the development of the Continuation budget.

R-53a

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

NEW POSITIONS - SFY 94 - SFY 97

Division	Number of Positions	Status	Explanation
1993-94			
Solid Waste	10	All filled, all in original program	
Epidemiology	10	One vacant, one abolished All in original program	
Off. of Waste Red.	10	One vacant, two abolished All in original program	
Administration	1	Filled	Cancer Advisory Staff now in Health Promotion
Soil & Water	3	Two abolished, remaining one in original program	
Forest Resources	2	Both filled, both in original program	
MCH	6	All filled, 3 abolished, all in original program	
Env. Health	1	Filled, position in original program	
Water Resources	6	All filled, all in original program	
Statistics	1	abolished	
Dental Health	2	All filled, all in original program	
Parks & Rec.	27	All filled, all in original program	
Total	79		
1994-95			
MCH	13	Three vacant, all in original program	
Minority Health	1	Filled	Minority Health is now a part of Local Health Service
Epidemiology	1	Vacant, in original program	
Rad. Prot.	6	All filled, all in original program	
DEM	12	Four vacant, all in original program	
Forest Resources	3	All filled, all in original program	
Soil & Water	6	Two abolished, one vacant, all in original program	
Marine Fisheries	19	One vacant, 18 in original program	One transferred to Controller's Office 10/96
Museum	2	Both filled, both in original program	
Total	63		

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

NEW POSITIONS - SFY 94 - SFY 97

R-53b

Division	Number of Positions	Status	Explanation
1995-96			
Marine Fisheries	8	One vacant, all in original program	
Soil & Water	9	One vacant, one abolished, all in original program	
Coastal Mgmt.	4	Two vacant, all in original program	
DEM	11	One vacant, all in original program	
Health Promotion	2	Filled, all in original program	
Health Statistics	4	All filled, all in original program	
Total	38		
1996-97			
Forest Resources	2	Both filled, both in original program	
Env. Education	3	All filled, all in original program	
Soil & Water	18	Two vacant, all in original program	
Water Quality	27	Two vacant, Seven not established, all in original program	
Env. Health	2	Both filled, both in original program	
Waste Reduction	3	One vacant, all in original program	
Total	55		
Grand Total	**235**		

Management Reserve Summary

R-53

Salary Reserve Policy that established the Management Reserve, was implemented October 1, 1996. Since that time the following actions have occurred:

81 actions have generated $127,010 in salary reserve in the Management Reserve.

7 Divisions/Offices have requested waivers for meeting the requirements of the 30% contribution to the Management Reserve. Five of these requests were approved.

$88,718 of the Management Reserve has been used. The remainder is pending approval of actions. The use has been for reclassification of positions in the Controller's Office, Environmental Education and Personnel/Human Resources, and for meeting salary requirements of moving employees from probabionary to permanent status.

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R-53d

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

SALARY RESERVE ANALYSIS

	Water Resources		Waste Red.		Coastal		Forest Resources	
	1996-97		1996-97		1996-97		1996-97	
Type of Action	Generated	Used	Generated	Used	Generated	Used	Generated	Used
New Hires					$1,253		$6,850	$2,595
Reallocation						$5,026		
In-Range						$13,108		$564
Promotions							$18,354	$16,295
Cola/CGRA		$682					$561	$6,968
Service Increments								$36,631
Trainee Reallocations	$1,645						$1,508	$2,290
Reassignments							$373	$3,384
Retention								
Reinstatement								
Total	$1,645	$682	$0	$0	$1,253	$18,134	$27,646	$68,727

R-53d

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

R-53e

SALARY RESERVE ANALYSIS

	Soil & Water		Land Resources		Marine Fisheries		Parks	
	1996-97		1996-97		1996-97		1996-97	
Type of Action	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**
New Hires	$6,380	$10,276	$16,079				$7,986	$1,768
Reallocation		$1,329		$15,392				
In-Range								
Promotions	$3,953	$8,590	$6,887	$4,345		$5,371	$19,013	$4,308
Cola/CGRA				$460			$366	$2,980
Service Increments								
Trainee Reallocations						$1,290	$17,349	
Reassignments	$1,056	$600	$4,821		$7,000			$2,756
Retention		$1,650						
Reinstatement								
Total	$11,389	$22,445	$27,787	$20,197	$7,000	$6,661	$44,714	$11,812

R-53F

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

SALARY RESERVE ANALYSIS

	Zoo		Rad. Prot.		Dental Health		Epidemiology	
	1996-97		1996-97		1996-97		1996-97	
Type of Action	Generated	Used	Generated	Used	Generated	Used	Generated	Used
New Hires	$1,000				$7,129			
Reallocation		$7,353		$325				
In-Range		$1,122						
Promotions	$15,598	$2,265	$325		$17,320		$10,229	
Cola/CGRA	$742	$31,825				$2,112		$1,145
Service Increments								
Trainee Reallocations								
Reassignments						$409		
Retention								
Reinstatement		$11,921				$19,207		
Total	$17,340	$54,486	$325	$325	$24,449	$21,728	$10,229	$1,145

R-539

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

SALARY RESERVE ANALYSIS

	Env. Health		MCH		Health Promotion		Lab	
	1996-97		1996-97		1996-97		1996-97	
Type of Action	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**
New Hires	$4,547	$1,232	$34,328	$44,122		$18,143		
Reallocation								
In-Range								
Promotions	$34,938	$27,360	$415	$17,275		$7,508	$6,992	$3,191
Cola/CGRA	$709		$6,291	$5,156		$85		$1,172
Service Increments								
Trainee Reallocations				$884				
Reassignments		$1,667		$6,896	$1		$4,574	$6,117
Retention		$2,023						
Reinstatement	$486			$365				
Total	$40,680	$32,282	$41,034	$74,698	$1	$25,736	$11,566	$10,480

R-53h

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

SALARY RESERVE ANALYSIS

	Waste Mgmt.		Statistics		Med.Exam.		Aquarium	
	1996-97		1996-97		1996-97		1996-97	
Type of Action	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**
New Hires			$11,409			$419	$158	$242
Reallocation				$1,908				
In-Range				$3,872				
Promotions		$212	$2,441	$1,000			$13	
Cola/CGRA		$2,502	$624	$2,509	$964	$440		
Service Increments				$760				
Trainee Reallocations								
Reassignments		$2,377	$11,214		$1,420			
Retention								
Reinstatement								$8,769
Total	$0	$5,091	$25,688	$10,049	$2,384	$859	$171	$9,011

R-531

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

SALARY RESERVE ANALYSIS

	Museum		Water Quality		Air Quality		Sec. Office	
	1996-97		1996-97		1996-97		1996-97	
Type of Action	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**
New Hires	$32,155	$9,936	$854				$1,454	$6,100
Reallocation		$4,544						
In-Range		$2,715						$8,857
Promotions	$4,609	$11,320	$1,848				$11,305	$5,207
Cola/CGRA		$2,163	$4,532					$2,205
Service Increments		$1,303						
Trainee Reallocations								
Reassignments		$2,364				$889		
Retention								
Reinstatement								
Total	$36,764	$34,345	$7,234	$0	$0	$889	$12,759	$22,369

R-53j

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

SALARY RESERVE ANALYSIS

	Personnel		Controller		Budget		Gen. Services	
	1996-97		1996-97		1996-97		1996-97	
Type of Action	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**
New Hires			$2,000	$4,704				
Reallocation								
In-Range								
Promotions			$5,551	$9,058	$8,520			$1,570
Cola/CGRA		$1,991		$522				
Service Increments								
Trainee Reallocations								
Reassignments				$10,993			$891	
Retention								
Reinstatement								
Total	$0	$1,991	$7,551	$25,277	$8,520	$0	$891	$1,570

R-531K

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

SALARY RESERVE ANALYSIS

	Computer Serv.		Health Ed.		Env. Ed.		Reg. Offices	
	1996-97		1996-97		1996-97		1996-97	
Type of Action	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**	**Generated**	**Used**
New Hires		$22,660						$6,484
Reallocation								
In-Range								
Promotions					$1,567	$1,567	$1,534	$946
Cola/CGRA		$1,920		$1,416				$323
Service Increments								$1,446
Trainee Reallocations								
Reassignments						$5,290		$6,333
Retention								
Reinstatement								
Total	$0	$24,580	$0	$1,416	$1,567	$6,857	$1,534	$15,532

R-531

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

SALARY RESERVE ANALYSIS

	Loc. Health		Totals	
	1996-97		1996-97	
Type of Action	**Generated**	**Used**	**Generated**	**Used**
New Hires			$133,582	$128,681
Reallocation			$0	$35,877
In-Range			$0	$30,238
Promotions			$171,412	$127,388
Cola/CGRA			$14,789	$68,576
Service Increments			$0	$40,140
Trainee Reallocations			$20,502	$4,464
Reassignments			$31,350	$50,075
Retention			$0	$3,673
Reinstatement			$486	$40,262
Total			$372,121	$529,374

State of North Carolina
Department of Environment,
Health and Natural Resources
Division of Budget, Planning & Analysis

James B. Hunt, Jr., Governor
Jonathan B. Howes, Secretary
Jane Q. Smith, Director

DEHNR

R-54

May 22, 1995

MEMORANDUM

TO: Beth Christensen
Fiscal Analyst

THROUGH: Steve Levitas

FROM: Jane Smith

SUBJECT: Additional Detail - Marine Fisheries Expansion Request

Attached is the detailed breakdown of the expansion request from the Division of Marine Fisheries. The budget for each year of the biennium is divided to reflect the portion of the request dedicated to the new positions requested and that portion of the request dedicated to existing staff.

Also attached is the listing of items to be covered in object 5500 - other equipment. Please call if additional information is requested.

JQS/tmc

Attachment

cc: Lois Artis
Joan Weld
Henry Lancaster
Anita Brockington

MAY 23, 1995

MARINE FISHERIES EXPANSION REQUEST

OBJECT NO.	OBJECT TITLE	1995/96 AMOUNT TO COVER EXISTING STAFF	1995/96 AMOUNT TO COVER NEW STAFF	1996/97 AMOUNT TO COVER EXISTING STAFF	1996/97 AMOUNT TO COVER NEW STAFF
1211	SALARIES-APP	-	173,593	-	173,593
1811	SOCIAL SECURITY-APP	-	13,280	-	13,280
1881	LEO RETIREMENT CONT-APP	-	27,706	-	27,706
1831	HOSPITAL INS-APP	-	12,152	-	12,152
2130	CLOTHING AND UNIFORMS	621	24,379	20,800	4,200
3112	TRAVEL-IN-SUBS-APP	-	7,000	-	7,000
3115	DOA TRAVEL	150,000	42,840	150,000	42,840
3951	EMPLOYEE TRAINING EXP	68,000	7,000	21,500	3,500
5430	BOATS, MOTORS AND TRAILERS	-	150,000	-	-
5500	OTHER EQUIPMENT	490,121	172,200	287,321 *	-
	TOTAL	708,742	630,150	479,621	284,271
			7.0		7.0

*THIS COINCIDES WITH THE REPLACEMENT SCHEDULE FOR EQUIPMENT.

R-55

-FROM-
05.23.1995 12:00
P. 2

R-56

NORTH CAROLINA MARINE PATROL
EXPANSION BUDGET REQUEST
EXPLANATION OF OBJECT 5500

ITEM #1	PROVIDE FUNDING TO UPGRADE THE EXISTING COMMUNICATION SYSTEM AT THE DIVISION OF MARINE FISHERIES.	$225,000.00
ITEM #2	PROVIDE FUNDING FOR THE INITIAL EQUIPMENT ISSUANCE TO (7) NEW OFFICERS ($24,600.00 EACH).	$172,200.00
ITEM #3	PROVIDE FUNDING TO MAKE NECESSARY REPAIRS AND REPLACE EQUIPMENT ON RECENTLY ACQUIRED (FEDERAL GOVERNMENT) CREW BOAT. THESE MONIES WILL BE UTILIZED TO PURCHASE NEW ENGINE AND GEAR TO REPOWER THIS VESSEL. IN ADDITION, MONIES WILL BE UTILIZED TO CONVERT THIS VESSEL FOR LAW ENFORCEMENT PURPOSES.	$ 80,000.00
I #4	PROVIDE FUNDING TO REPLACE EXISTING LORAN SYSTEMS ON MARINE PATROL VESSELS TO UPGRADE TO THE GLOBAL POSITIONING SYSTEM (4 BOATS, 3 AIRCRAFT).	$ 31,500.00
ITEM #5	PROVIDE FUNDING TO REPLACE EXISTING 1982 AND 1984 MODEL 25' PATROL VESSELS THAT ARE NO LONGER SERVICEABLE. IN ADDITION, THIS REQUEST WILL PROVIDE FOR TRAILERS AND ELECTRONICS.	$153,621.00
	TOTAL	$662,321.00

Marine Fisheries

1
WORKSHEET II. EXPANSION BUDGET REQUEST

2 BUDGET CODE: 14300 DEPARTMENT: EHNR Priority No. of
3 FUND NUMBER: 1325 FUND TITLE: MARINE PATROL DIVISION/ INSTITUTION:
4 PROGRAM NUMBER: 5310 PROGRAM TITLE: PROTECT AND MANAGE MARINE RESOURCES

				1995-96	1996-97
5	TITLE OF REQUEST: MARINE PATROL INCREASE IN PERSONNEL AND QUIPMENT REPLACEMENT				
6a	STATUTORY CHANGES/SPECIAL PROVISIONS REQUIRED TO IMPLEMENT?	6b	TOTAL REQUIREMENTS	1,338,892	763,892
7a	YES NO XX	7b	TOTAL RECEIPTS		
8a	IF YES, ATTACH A COPY OF THE DRAFT.	8b	APPROPRIATION	1,338,892	763,892
9a		9b	TOTAL POSITIONS	7.0	7.0
10					

NEED: Presently there are a number of areas that require funding to bring the N.C. Marine Patrol up to an acceptable level of operation. These areas include up-grading the present communications system (which is utilized by all sections of the DMF), boats, motors, and trailers assigned to the Marine Patrol, uniforms utilized by officers of the Marine Patrol, existing budgetary short falls experienced since the reorganization in August of 1993, and additional personnel, equipment, and training.

CHANGE TO PRESENT STRATEGY: This request provides the funding necessary to upgrade the existing communications system of the DMF. In addition, this request provides for up-grading the status of the existing small boat fleet of the Marine Patrol Provisions have been incorporated in this request to rectify problems associated with the reorganization in August of 1993 (DOA Travel). Requests have been made to increase staffing of the Marine Patrol by five officers over a four-year period (1994-98). This request allows for expenditing the staffing of the Marine Patrol over a period of two years (1995-97). In addition, this request provides for the necessary equipment associated with the expansion and training of all Marine Patrol personnel.

ANTICIPATED OUTCOME: The anticipated outcome of this request is to provide a staffing level for the Marine Patrol that is consistent with the job task mandate. In addition, the communication, equipment, uniform, and budgetary needs of the Marine Patrol would be brought to a level providing for the continuation and expansion of services provided to the citizens of North Carolina and protection of our valuable fisheries resource.

MEASURES: G.S. 143-3.5

Priority No. of

Description:	New/ Existing	Actual 1993-94	Authorized 1994-95	1995-96	1996-97	1997-98	1998-99	1999-00
Increase the number of patrol hours by boat.	Continuation	65,392	73,922	73,922	83,503	93,084	93,084	93,084
	Expansion			9,581	9,581	0	0	0
	Revised			83,503	93,084	93,084	93,084	93,084
Increase the number of training hours per officer.	Continuation	12	56	56	72	88	88	88
	Expansion			16	16	0	0	0
	Revised			72	88	88	88	88
Upgrade efficiency of communications center.	Continuation	0.75	0.75	0.75	1	1	1	1
	Expansion			0.25	0	0	0	0
	Revised			1	1	1	1	1
Providing officers with 100% of necessary uniforms.	Continuation	0.5	0.6	0.6	0.6	0.6	0.6	0.6
	Expansion			0.4	0.4	0.4	0.4	0.4
	Revised			1	1	1	1	1
Replacement of boats, motors and trailers.	Continuation	48	52	52	59	66	66	66
	Expansion			13	13	6	6	6
	Revised			59	66	66	66	66
Arrest/conviction ratio.	Continuation	0.9	0.9	0.9	0.9	0.9	0.9	0.9
	Expansion			0	0	0	0	0
	Revised			0.9	0.9	0.9	0.9	0.9
License checks.	Continuation	48,119	54,396	54,396	61,719	69,042	69,042	69,042
	Expansion			7,323	7,323	0	0	0
	Revised			61,719	69,042	69,042	69,042	69,042

Note: Attach a graphic if necessary to explain the change in measures.
* Indicate if this is a New (N) or Existing Measure (E).

Priority No. of

BUDGET: G.S. 143-3.5 Detail of budget is to be provided at the SAS Agency Management Report detail level.

REQUIREMENTS:

	OBJECT NO.	OBJECT TITLE	1995-96	1996-97	1997-98	1998-99	1999-00
14	1211	SALARIES-APP	173,593	173,593	173,593	173,593	173,593
	1811	SOCIAL SECURITY-APP	13,280	13,280	13,280	13,280	13,280
	1821	LEO RETIREMENT CONT-APP	27,706	27,706	27,706	27,706	27,706
	1831	HOSPTAL INS-APP	12,152	12,152	12,152	12,152	12,152
	2130	CLOTHING AND UNIFORMS	25,000	25,000	25,000	25,000	25,000
	3112	TRAVEL-IN-SUBS-APP	7,000	7,000	7,000	7,000	7,000
	3115	DOA TRAVEL	192,840	192,840	192,840	192,840	192,840
	3951	EMPLOYEE TRAINING EXP	75,000	25,000	25,000	25,000	25,000
	5430	BOATS, MOTORS AND TRAILERS	150,000				
	5500	OTHER EQUIPMENT	662,321	287,321	100,000	100,000	100,000

*

		Actual 1993-94	Authorized 1994-95					
15	Requirements			1,338,892	763,892	576,571	576,571	576,571
16	Number of F.T.E.*	0.0	0.0	7.0	7.0	7.0	7.0	7.0
	RECEIPTS:							
17								
18	Receipts			0	0	0	0	0
19	APPROPRIATION			1,338,892	763,892	576,571	576,571	576,571
20	CASH BALANCE							

* Complete Detail information for total positions requested on the following page.

POSITIONS REQUESTED: Detail of the positions included in this expansion request. Priority No. of

	GRADE	CLASSIFICATION/EFFECTIVE DATE:	1995-96 F.T.E	1996-97 F.T.E	Annual Salary**	1995-96 Budgeted Salary	1996-97 Budgeted Salary
21	67	MARINE FISHERIES ENFORCEMENT OFFICER 11/7/95	7.000	7.000	$173,593	$173,593	$173,593
22		Total#	7.0	7.0		$173,593	$173,593

** Minimum level salary for the classification requested unless supporting OSP documentation attached.
#Total F.T.E'S equal the number of total F.T.E.'s shown on page 3 line 16 of this request.

23 DOES THIS EXPANSION REQUEST RELATE TO A CAPITAL IMPROVEMENT PROJECT? YES NO
24 IF YES, TITLE OF C.I. PROJECT:
25 C.I. BUDGET CODE: ITEM NUMBER: PROJECTED COMPLETION DATE:

SPACE REQUIREMENTS: G.S. 120-36.7 (c)
26 DOES THIS REQUEST REQUIRE ADDITIONAL SPACE? YES NO IF YES, COMPLETE THE FOLLOWING:

	Office Storage Other	1995-96	1996-97	1997-98	1998-99	1999-00
27	Type of Space:					
28	Additional Square Footage Required					
29	Estimated Cost of Space Requirements.					

Submit 6 copies on 8 1/2 x 11-inch buff paper.

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EHNR-19.

LICENSED MOTOR VEHICLE PURCHASE SCHEDULE
(For continuation requests only)

Section 5
Attachment 8

(Due 9/30/96)

Department DEHNR Division or Institution Forest Resources Budget Code 14300

FUND	ACCOUNT	MAKE, TYPE, AND YEAR MODEL	DATE PURCHASED (MONTH AND YEAR)	ESTIMATED MILEAGE AS OF 6-30-97	1997-98 TOTAL COST	1997-98 TRADE-IN VALUE** (IF APPLICABLE)	1998-99 TOTAL COST	1998-99 TRADE-IN VALUE** (IF APPLICABLE)
12102201	534541	1986 GMC MECHANIC TRUCK 3/4 TON, 2WD	Dec-86	85,000	20,900	1,600		
12102201	534541	1990 DODGE MECHANIC TRUCK 3/4 TON, 2WD	Nov-90	73,500			20,900	1,600
12102201	534541	1990 DODGE MECHANIC TRUCK 3/4 TON, 2WD	Nov-90	69,000			20,900	1,600
12102201	534541	1989 DODGE VAN 1/2 TON	Oct-89	105,000	18,664	1,000		
12102201	534541	1988 CHEVROLET COMPACT 2WD	Sep-88	49,000			15,046	1,200
12102201	534541	1991 CHEVROLET COMPACT 2WD	Apr-90	71,000			15,046	1,200
12102201	534541	1991 CHEVROLET COMPACT 2WD	Apr-90	69,000			15,046	1,200
12102202	534541	1989 CHEVROLET TRUCK 1/2 TON	Apr-89	52,000			18,568	1,200
12102202	534541	1987 CHEVROLET TRUCK 3/4 TON	Feb-87	105,000	24,570	1,200		
12102202	534541	1992 DODGE VAN 3/4 TON	Mar-92	77,000			20,280	1,200
12102203	534541	1985 DODGE 4X4 3/4 TON	May-85	102,000	24,570	1,400		
12102203	534541	1986 FORD 4X4 3/4 TON	Apr-86	110,000	24,570	1,400		
12102203	534541	1990 FORD 4X4 CAB 1 TON	Jun-90	155,500	26,950	1,400		
12102203	534541	1990 CHEVROLET S-10 4X2	Apr-90	89,500			15,046	1,200
12102203	534541	1990 FORD 4X4 3/4 TON	May-90	87,000			24,570	1,400
12102203	534541	1990 CHEVROLET S-10 4X2	Apr-90	75,000			15,246	1,200
12102203	534541	1992 CHEVROLET VAN 1 TON 4X2 RADIO VAN	Apr-92	75,000			16,302	1,400
12102204	534541	1976 GMC TANDEM TRUCK TRACTOR	Jun-76	**	60,000			
12102204	534541	1976 GMC TANDEM TRUCK TRACTOR	Jun-76	**	60,000			
12102204	534541	1979 BRUIN TANDEM TRUCK TRACTOR	Jun-79	**	60,000			
12102204	534541	1980 FORD 9000 TANDEM TRUCK TRACTOR	Jun-80	**	60,000			
12102204	534541	1982 BRIGADIER TEN WHEELER	Jul-82	**	80,000			
12102204	534541	1979 TANDEM TRUCK	Jun-79	**	60,000			
12102204	534541	1980 TANDEM TRUCK	Jun-80	**	60,000			
12102204	534541	1979 BRUIN TANDEM TRUCK	Jun-79	**	60,000			
12102204	534541	1979 BRUIN TANDEM TRUCK	Jun-79	**			60,000	
12102204	534541	1980 IHC TANDEM TRUCK	Jun-80	**			60,000	
12102204	534541	1980 IHC TANDEM TRUCK	Jun-80	**			60,000	
12102204	534541	1981 IHC TANDEM TRUCK	Jun-81	**			60,000	
12102013*	534541	1990 FORD 4X4 3/4 TON	Oct-90	92,000	24,570	1,400		
12102017*	534541	1990 CHEVROLET 4X4 3/4 TON	Oct-90	92,000	24,570	1,400		

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LICENSED MOTOR VEHICLE PURCHASE SCHEDULE
(For continuation requests only)

Section 5
Attachment 8

(Due 9/30/96)

Department DEINR Division or Institution Forest Resources Budget Code 14300

FUND	ACCOUNT	MAKE, TYPE, AND YEAR MODEL	DATE PURCHASED (MONTH AND YEAR)	ESTIMATED MILEAGE AS OF 6-30-97	1997-98 TOTAL COST	1997-98 TRADE-IN VALUE** (IF APPLICABLE)	1998-99 TOTAL COST	1998-99 TRADE-IN VALUE** (IF APPLICABLE)
12102201	534541	1986 GMC MECHANIC TRUCK 3/4 TON, 2WD	Dec-86	85,000	20,900	1,600		
12102010	534541	1988 CHEVROLET 4X4 3/4 TON	Aug-88	105,000	24,570	1,400		
12102018*	534541	1989 FORD 4X4 3/4 TON	Apr-89	70,000			24,570	1,400
12102016*	534541	1991 FORD 4X4 3/4 TON	Sep-91	55,000			24,570	1,400
12102011*	534541	1993 FORD 4X4 3/4 TON	Oct-93	85,000			24,570	1,400
12102010	534541	1990 CHEVROLET 4X4 1/2 TON	Oct-90	80,000			18,568	1,200
12102010	534541	1989 FORD 4X4 3/4 TON	May-89	75,000			24,570	1,400
12102010	534541	1989 CHEVROLET 4X4 1/2 TON	Dec-89	75,000			19,800	1,200
12102010	534541	1989 CHEVROLET 4X4 1 TON	Jun-89	70,000			26,950	1,400
12102223*	534541	1984 FORD BRONCO 4X4	Jul-84	142,000	26,280	1,400		
12102013*	534541	1984 FORD BRONCO 4X4	Jul-84	140,000	26,280	1,400		
12102025*	534541	1989 CHEVROLET 4X4 1 TON	Mar-89	100,000	26,950	1,400		
12102026*	534541	1989 CHEVROLET 4X4 1 TON	Mar-89	100,000	26,950	1,400		
12102028*	534541	1989 CHEVROLET 4X4 1 TON	Mar-89	100,000	26,950	1,400		
12102022*	534541	1990 FORD 4X4 3/4 TON	Mar-90	100,000			24,570	1,400
12102026*	534541	1990 FORD 4X4 3/4 TON	Mar-90	100,000			24,570	1,400
12102025*	534541	1991 FORD 4X4 3/4 TON	Mar-91	95,000			24,570	1,400
12102027*	534541	1991 FORD 4X4 3/4 TON	Mar-91	95,000			24,570	1,400
12102020	534541	1990 FORD 4X4 3/4 TON	Mar-90	100,000			24,570	1,400
12102034*	534541	1990 CHEVROLET 4X4 3/4 TON	May-90	131,700	24,570	1,400		
12102032*	534541	1988 CHEVROLET 4X4 3/4 TON	Apr-88	127,616	24,570	1,400		
12102037*	534541	1990 CHEVROLET 4X4 3/4 TON	May-90	123,058	24,570	1,400		
12102031*	534541	1988 CHEVROLET 4X4 3/4 TON	Apr-88	122,222	24,570	1,400		
12102030	534541	1990 CHEVROLET 4X4 3/4 TON	May-90	118,192	24,570	1,400		
12102034*	534541	1989 CHEVROLET 4X4 3/4 TON	Apr-89	117,346	24,570	1,400		
12102036*	534541	1991 FORD 4X4 3/4 TON	Apr-91	115,440	24,570	1,400		
12102033*	534541	1988 CHEVROLET 4X4 3/4 TON	Apr-88	115,218	24,570	1,400		
12102030	534541	1989 CHEVROLET 4X4 3/4 TON	Apr-89	111,750	24,570	1,400		
12102035*	534541	1989 CHEVROLET 4X4 3/4 TON	Apr-89	110,385	24,570	1,400		
12102037*	534541	1991 FORD 4X4 3/4 TON	Apr-91	108,385	24,570	1,400		
12102034*	534541	1991 FORD 4X4 3/4 TON	Apr-91	107,500	24,570	1,400		

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LICENSED [illegible]R VEHICLE PURCHASE SCHEDULE
(For continuation requests only)

(Due 9/30/96)

Department DEHNR Division or Institution Forest Resources Budget Code 14300

FUND	ACCOUNT	MAKE, TYPE, AND YEAR MODEL	DATE PURCHASED (MONTH AND YEAR)	ESTIMATED MILEAGE AS OF 6-30-97	1997-98 TOTAL COST	1997-98 TRADE-IN VALUE** (IF APPLICABLE)	1998-99 TOTAL COST	1998-99 TRADE-IN VALUE** (IF APPLICABLE)
12102201	534541	1986 GMC MECHANIC TRUCK 3/4 TON, 2WD	Dec-86	85,000	20,900	1,600		
12102030	534541	1988 CHEVROLET 4X4 3/4 TON	Apr-88	107,389	24,570	1,400		
12102030	534541	1990 CHEVROLET 4X4 3/4 TON	May-90	105,997	24,570	1,400		
12102030	534541	1989 CHEVROLET 4X4 3/4 TON	Apr-89	101,343	24,570	1,400		
12102038*	534541	1992 CHEVROLET 4X4 3/4 TON	Apr-92	97,000	24,570	1,400		
12102033*	534541	1989 CHEVROLET 4X4 3/4 TON	Apr-89	116,437			24,570	1,400
12102031*	534541	1989 CHEVROLET 4X4 3/4 TON	Apr-89	116,081			24,570	1,400
12102035*	534541	1992 CHEVROLET 4X4 3/4 TON	Apr-92	108,532			24,570	1,400
12102032*	534541	1992 FORD 4X4 3/4 TON	Apr-92	104,489			24,570	1,400
12102038*	534541	1993 CHEVROLET 4X4 3/4 TON	May-93	103,750			24,570	1,400
12102043	534541	1989 CHEVROLET 4X4 3/4 TON	Oct-89	113,000	24,570	1,400		
12102047*	534541	1989 CHEVROLET 4X4 3/4 TON	Oct-89	103,000	24,570	1,400		
12102041*	534541	1992 CHEVROLET 4X4 3/4 TON	Sep-92	100,000	24,570	1,400		
12102044*	534541	1991 FORD 4X4 3/4 TON	Sep-91	69,000			24,570	1,400
12102042*	534541	1993 CHEVROLET 4X4 3/4 TON	Oct-93	68,000			24,570	1,400
12102043*	534541	1993 CHEVROLET 4X4 3/4 TON	Oct-93	64,000			24,570	1,400
12102046*	534541	1991 FORD 4X4 3/4 TON	Sep-91	105,000	24,570	1,400		
12102047*	534541	1991 FORD 4X4 3/4 TON	Sep-91	83,000			24,570	1,400
12102040	534541	1989 CHEVROLET 4X4 3/4 TON	Dec-89	100,000	24,570	1,400		
12102040	534541	1991 CHEVROLET 1/2 TON 2WD	Oct-90	75,000			15,046	1,200
12102040	534541	1992 FORD 3/4 TON 2WD	Sep-92	74,000			20,900	1,200
12102051*	534541	1988 CHEVROLET 4X2 3/4 TON	Apr-88	117,000	20,902	1,200		
12102054*	534541	1990 FORD 4X4 1 TON	Apr-90	120,000	26,950	1,400		
12102055*	534541	1988 CHEVROLET 4X2 3/4 TON	Apr-88	115,000	20,900	1,200		
12102056*	534541	1987 CHEVROLET 4X2 3/4 TON	Apr-87	155,000	20,900	1,200		
12102057*	534541	1987 CHEVROLET 4X2 3/4 TON	Apr-87	123,000	20,900	1,200		
12102058*	534541	1988 CHEVROLET 4X2 3/4 TON	Apr-88	138,500	20,900	1,200		
12102057*	534541	1988 CHEVROLET 4X4 3/4 TON	Apr-88	125,000			24,570	1,200
12102058*	534541	1988 CHEVROLET 4X2 3/4 TON	Apr-88	150,000	20,900	1,200		
12102060	534541	1988 CHEVROLET 4X2 MECHANIC	May-88	115,000	26,950	1,600		
12102221	534541	1989 CHEVROLET 4X2	Apr-89	130,000	20,900	1,200		
12102065*	534541	1990 CHEVROLET 4X4	Apr-90	130,000	24,570	1,200		

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LICENSED MOTOR VEHICLE PURCHASE SCHEDULE
(For continuation requests only)

Section 5
Attachment 8

(Due 9/30/96)

Department DEHNR Division or Institution Forest Resources Budget Code 14300

FUND	ACCOUNT	MAKE, TYPE, AND YEAR MODEL	DATE PURCHASED (MONTH AND YEAR)	ESTIMATED MILEAGE AS OF 6-30-97	1997-98 TOTAL COST	1997-98 TRADE-IN VALUE** (IF APPLICABLE)	1998-99 TOTAL COST	1998-99 TRADE-IN VALUE** (IF APPLICABLE)
12102201	534541	1986 GMC MECHANIC TRUCK 3/4 TON, 2WD	Dec-86	85,000	20,900	1,600		
12102062*	534541	1991 FORD 4X4	Apr-91	130,000	24,570	1,200		
12102066*	534541	1991 FORD 4X4	Apr-91	135,000	24,570	1,200		
12102061*	534541	1991 FORD 4X4	Jul-91	115,000	24,570	1,200		
12102060	534541	1988 CHEVROLET 4X2 MECHANIC	May-88	130,000	26,950	1,600		
12102062*	534541	1990 CHEVROLET 4X4	Apr-90	120,000	24,570	1,200		
12102063*	534541	1990 CHEVROLET 4X4	May-90	95,000			24,570	1,200
12102064*	534541	1990 CHEVROLET 4X4	Apr-89	110,000	24,570	1,200		
12102065*	534541	1991 FORD 4X4	Apr-91	115,000	24,570	1,200		
12102066*	534541	1990 DODGE 4X4	Jun-90	100,000	24,570	1,200		
12102221	534541	1987 CHEVROLET 4X4	Apr-87	100,000			24,570	1,200
12102063*	534541	1992 CHEVROLET 4X4	Mar-92	95,000			24,570	1,200
12102072*	534541	1991 FORD 2X4 3/4 TON	Apr-91	66,000			24,570	1,200
12102074*	534541	1992 CHEVROLET 4X4 3/4 TON	Feb-92	71,000			24,570	1,400
12102070	534541	1992 FORD RANGER 1/2 TON	Jun-92	70,000			15,046	1,200
12102085*	534541	1988 CHEVROLET 4X4 3/4 TON	Feb-88	165,000	24,570	1,400		
12102080	534541	1988 CHEVROLET 4X4 1 TON	Feb-88	150,000	26,950	1,400		
12102080	534541	1988 CHEVROLET MECHANIC 3/4 TON	Feb-88	115,000	24,570	1,600		
12102080	534541	1987 CHEVROLET 4X4 3/4 TON	Feb-88	125,000	24,570	1,400		
12102222	534541	1988 DODGE 1/2 TON	Feb-88	85,000			26,950	1,200
12102222	534541	1988 DODGE 1/2 TON	Feb-88	85,000			26,950	1,200
12102086*	534541	1989 CHEVROLET 4X4 1 TON	Feb-89	80,000			26,950	1,400
12102080	534541	1989 CHEVROLET 3/4 TON	Feb-89	140,000	20,900	1,200		
12102081*	534541	1990 FORD 4X4 3/4 TON	Feb-90	130,000	24,570	1,400		
12102084*	534541	1990 FORD 4X4 3/4 TON	Feb-90	110,000	24,570	1,400		
12102080	534541	1990 DODGE MECHANIC 3/4 TON	Feb-90	82,000			26,950	1,600
12102080	534541	1990 CHEVROLET 3/4 TON	Feb-90	150,000	20,900	1,200		
12102080	534541	1990 CHEVROLET 4X4 3/4 TON	Feb-90	135,000	24,570	1,400		
12102081*	534541	1991 FORD 4X4 3/4 TON	Feb-91	100,000	24,570	1,400		
12102084*	534541	1991 FORD 4X4 3/4 TON	Feb-91	90,000			24,570	1,400
12102085	534541	1991 FORD 4X4 3/4 TON	Feb-91	150,000	24,570	1,400		
12102083	534541	1992 CHEVROLET 4X4 3/4 TON	Feb-92	115,000	24,570	1,400		
12102080	534541	1992 FORD MECHANIC 3/4 TON	Feb-92	70,000			26,950	1,600

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EHNR-25.

LICENSED MOTOR VEHICLE PURCHASE SCHEDULE
(For continuation requests only)

Section 5
Attachment 8

(Due 9/30/96)

Department DEHNR Division or Institution Forest Resources Budget Code 14300

FUND	ACCOUNT	MAKE, TYPE, AND YEAR MODEL	DATE PURCHASED (MONTH AND YEAR)	ESTIMATED MILEAGE AS OF 6-30-97	1997-98 TOTAL COST	1997-98 TRADE-IN VALUE** (IF APPLICABLE)	1998-99 TOTAL COST	1998-99 TRADE-IN VALUE** (IF APPLICABLE)
12102201	534541	1986 GMC MECHANIC TRUCK 3/4 TON, 2WD	Dec-86	85,000	20,900	1,600		
12102082*	534541	1993 CHEVROLET 4X4 3/4 TON	Feb-93	77,000			24,570	1,400
12102083*	534541	1994 CHEVROLET 4X4 3/4 TON	Feb-94	75,000			24,570	1,400
12102095*	534541	1986 FORD 4X4 3/4 TON	Dec-86	100,000	24,570	1,400		
12102093*	534541	1988 CHEVROLET 4X4 3/4 TON	Nov-88	100,000	24,570	1,400		
12102097*	534541	1987 CHEVROLET 4X4 3/4 TON	Sep-87	100,000			24,570	1,400
12102090	534541	1989 FORD 4X4 3/4 TON	Jan-90	100,000			24,570	1,400
12102107*	534541	1992 CHEVROLET 4X4 3/4 TON	May-92	102,000	24,570	1,400		
12102109*	534541	1992 FORD 4X4 3/4 TON	May-92	92,000	24,570	1,400		
12102202	534541	1992 DODGE VAN 3/4 TON	Apr-92	77,000			20,900	1,200
12102100	534541	1989 CHEVROLET 3/4 TON	Apr-89	131,000	20,900	1,200		
12102100	534541	1988 CHEVROLET 4X4 3/4 TON	May-88	81,000			24,570	1,400
12102101*	534541	1993 FORD 4X4 3/4 TON	Apr-93	68,000			24,570	1,400
12102103*	534541	1993 FORD 4X4 3/4 TON	Apr-93	77,000			24,570	1,400
12102104*	534541	1993 FORD 4X4 3/4 TON	Apr-93	69,000			24,570	1,400
12102106*	534541	1993 CHEVROLET 4X4 3/4 TON	May-93	90,000	24,570	1,400		
12102155*	534541	1993 CHEVROLET 4X4 3/4 TON	May-93	74,000			24,570	1,400
12102110	534541	1990 CHEVROLET 2X4 1/2 TON	May-90	125,000	18,568	1,200		
12102110	534541	1990 CHEVROLET 2X4 1/2 TON	May-90	125,000	19,800	1,200		
12102110	534541	1988 CHEVROLET 2X4 3/4 TON	Mar-88	115,000	20,900	1,200		
12102113*	534541	1992 CHEVROLET 4X4 3/4 TON	Apr-92	80,000			24,570	1,400
12102116*	534541	1992 CHEVROLET 4X4 3/4 TON	Apr-92	85,000			24,570	1,400
12102112*	534541	1993 CHEVROLET 4X4 3/4 TON	May-93	70,000			24,570	1,400
12102114*	534541	1993 CHEVROLET 4X4 3/4 TON	May-93	75,000			24,570	1,400
12102115*	534541	1993 CHEVROLET 4X4 3/4 TON	May-93	70,000			24,570	1,400
12102126*	534541	1990 FORD 4X4 3/4 TON	Apr-90	90,000	24,570	1,400		
12102122*	534541	1992 FORD 4X4 3/4 TON	Apr-92	91,000	24,570	1,400		
12102121*	534541	1992 FORD 4X4 3/4 TON	Apr-92	85,000			24,570	1,400
12102122*	534541	1993 FORD 4X4 3/4 TON	Apr-93	80,000	24,570	1,400		
12102120	534541	1989 CHEVROLET 4X4 1 TON	May-90	121,000	26,950	1,400		
12102130	534541	1992 FORD RANGER 2X4	May-92	75,000			15,046	1,200

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LICENSED MOTOR VEHICLE PURCHASE SCHEDULE
(For continuation requests only)

Section 5
Attachment 8

(Due 9/30/96)

Department DEHNR Division or Institution Forest Resources Budget Code 14300

FUND	ACCOUNT	MAKE, TYPE, AND YEAR MODEL	DATE PURCHASED (MONTH AND YEAR)	ESTIMATED MILEAGE AS OF 6-30-97	1997-98 TOTAL COST	1997-98 TRADE-IN VALUE** (IF APPLICABLE)	1998-99 TOTAL COST	1998-99 TRADE-IN VALUE** (IF APPLICABLE)
12102201	534541	1986 GMC MECHANIC TRUCK 3/4 TON, 2WD	Dec-86	85,000	20,900	1,600		
12102132*	534541	1988 CHEVROLET 4X4 3/4 TON	May-88	175,000	24,570	1,400		
12102132*	534541	1989 CHEVROLET 4X4 3/4 TON	Jun-89	130,000	24,570	1,400		
12102132*	534541	1989 CHEVROLET 4X4 3/4 TON	Jun-89	137,000	24,570	1,400		
12102131*	534541	1993 CHEVROLET 4X4 3/4 TON	Jun-93	130,000	24,570	1,400		
12102133*	534541	1988 CHEVROLET 4X4 3/4 TON	May-88	95,000	24,570	1,400		
12102134*	534541	1987 CHEVROLET 2X4 1/2 TON	Jun-87	155,000	18,568	1,200		
12102134*	534541	1991 CHEVROLET 4X4 3/4 TON	Jun-91	110,000	24,570	1,400		
		Total by Fund/Account			$2,546,572	$114,800	$1,706,756	$86,200
		Less: Motor vehicles included in 1996-97 Authorized Year			$568,578	76,800	$568,578	76,800
		Less: County Receipts*			$518,134		$342,741	
		Net Amount to Worksheet I			$1,459,860	$38,000	$795,437	$9,400

*Represents County Vehicles
** Trade-in value will be shown as estimated receipts - "Sale of Surplus Property."

Submit 6 copies on 8 1/2 x 11-inch paper.

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CHNK 23

OTHER VEHICLE PURCHASE SCHEDULE
(For continuation requests only)

Section
Attachment
(Due 9/30/96

Department: DEHNR | Division or Institution: FOREST RESOURCES | Budget Code:

FUND	ACCOUNT	DESCRIPTION (MAKE, TYPE, AND YEAR MODEL)	DATE PURCHASED (MONTH & YEAR) NUMBER	CONDITION*	1997-98 TOTAL COST	1997-98 TRADE-IN VALUE** (IF APPLICABLE)	1998-99 TOTAL COST	1998-99 TRADE-IN VALUE** (IF APPLICABLE)
12102204	534542	1953 CESSNA AIRCRAFT L19A N10714	1963	POOR-SEE ATTACHED	200,000			
12102204	534542	1953 CESSNA AIRCRAFT L19 N2FS	1963	POOR-SEE ATTACHED			200,000	
		Total by Fund/Account			$200,000		$200,000	

* Provide information from maintenance records, frequency of repairs, and other pertinent information such as mileage or hours of operation to assist in determining condition.
** Trade-in value will be shown as estimated receipts - "Sale of Surplus Property."

Submit 6 copies on 8 1/2 x 11-inch paper.

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OTHER VEHICLE PURCHASE SCHEDULE

(For continuation requests only)

DEPARTMENT DEHNR Division or Institution FOREST RESOURCES Budget Code ____

FUND	ACCOUNT	DESCRIPTION (MAKE, TYPE, AND YEAR MODEL)	DATE PURCHASED (MONTH & YEAR) NUMBER	CONDITION*	1997-98 TOTAL COST	1997-98 TRADE-IN VALUE** (IF APPLICABLE)	1998-9 TOTAL COST	1998-9 (I
12102204	534544	FARM TRAILER-UTILITY SHOP MADE	1978	POOR-SEE ATTACHED			12,000	
12102204	534544	1973 LOWBOY TRAILER 35 TON 28' DECK	1973	POOR-SEE ATTACHED	18,000			
12102204	534544	1970 LOWBOY TRAILER 25 TON 26' DECK	1970	POOR-SEE ATTACHED	16,000			
12102204	534544	1974 LOWBOY TRAILER 35 TON 28' DECK	1974	POOR-SEE ATTACHED	18,000			
12102204	534544	1970 LOWBOY TRAILER 25 TON 26' DECK	1970	POOR-SEE ATTACHED	16,000			
12102204	534544	1974 LOWBOY TRAILER 35 TON 28' DECK	1974	POOR-SEE ATTACHED			18,000	
12102204	534544	1973 REID LOWBOY TRAILER 25 TON 26' DECK	1973	POOR-SEE ATTACHED			16,000	
12102204	534544	1975 LOWBOY TRAILER 35 TON 28' DECK	1975	POOR-SEE ATTACHED			18,000	
12102204	534544	1970 LOWBOY TRAILER 35 TON 28' DECK	1970	POOR-SEE ATTACHED			18,000	
12102204	534544	1968 REID LOWBOY TRAILER 35 TON 26' DECK	1968	POOR-SEE ATTACHED			16,000	
		Total by Fund/Account			$68,000		$98,000	

* Provide information from maintenance records, frequency of repairs, and other pertinent information such as mileage or hours of operation to assist in determining condition.

** Trade-in value will be shown as estimated receipts - "Sale of Surplus Property."

Submit 6 copies on 8 1/2 x 11-inch paper.

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OTHER VEHICLE PURCHASE SCHEDULE

(For continuation requests only)

Section 5
Attachment 9
(Due 9/30/96)

DEPARTMENT DEHNR | Division or Institution FOREST RESOURCES | Budget Code 14300

FUND	ACCOUNT	DESCRIPTION (MAKE, TYPE, AND YEAR MODEL)	DATE PURCHASED (MONTH & YEAR) NUMBER	CONDITION*	1997-98 TOTAL COST	1997-98 TRADE-IN VALUE** (IF APPLICABLE)	1998-99 TOTAL COST	1998-99 TRADE-IN VALUE** (IF APPLICABLE)
12102204	534549	1978 FIAT 8 TRACTOR LGP MED 100HP	1978	POOR-SEE ATTACHED	105,000			
12102204	534549	1978 FIAT 8 TRACTOR 90 HP STANDARD	1978	POOR-SEE ATTACHED	80,000			
12102204	534549	1978 FIAT 8 TRACTOR LGP MED 100HP	1978	POOR-SEE ATTACHED	105,000			
12102204	534549	1978 FIAT 8 TRACTOR 90 HP STANDARD	1978	POOR-SEE ATTACHED	80,000			
12102204	534549	1978 CASE 1150B 120HP HEAVY LPG	1978	POOR-SEE ATTACHED			130,000	
12102204	534549	1979 CASE 1150B 120 HP HEAVY LPG	1979	POOR-SEE ATTACHED			130,000	
12102204	534549	1980 FIAT 8 TRACTOR 90 HP STANDARD	1980	POOR-SEE ATTACHED			80,000	
12102204	534549	1978 CASE 1150B 120HP HEAVY LPG	1978	POOR-SEE ATTACHED			130,000	
12102204	534549	1973 TRACTOR TD15C 120HP HEAVY LPG	1973	POOR-SEE ATTACHED			130,000	
12102204	534549	1972 FORD TRACTOR 3000	1972	POOR-SEE ATTACHED			25,000	
12102204	534549	1974 FORD TRACTOR 5000	1974	POOR-SEE ATTACHED			55,000	
		Total by Fund/Account			370,000		680,000	

* Provide information from maintenance records, frequency of repairs, and other pertinent information such as mileage or hours of operation to assist in determining condition.

** Trade-in value will be shown as estimated receipts - "Sale of Surplus Property."

Submit 6 copies on 8 1/2 x 11-inch paper.

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OPERATING RESERVE

Department of EHNR
1997-99 Operating Reserve
Continuation Budget

Division of Parks and Recreation

JUSTIFICATION FOR FUNDING

Since 1993, numerous new acquisitions and facilities have been authorized by the NC General Assembly to be added to the State Parks System. These projects have been funded by the 1993 State Parks Bond Referendum, and by a 1995 capital appropriation of $10,000,000. In addition, two new parks have been added to the system. These new parks were authorized by the General Assembly, and the acquisitions were funded by the Natural Heritage Trust Fund. Most of these new facilities and acquisitions are expected to be completed within the next biennial budget cycle. Therefore, funding for the operation of these previously authorized projects is requested from the 1997-99 Operating Reserves.

STATE PARKS BOND PROJECTS

Funding is requested for operation of the following projects which were funded by the 1993 State Parks Bond:

Bushy Lake State Natural Area - 1050 acres
Carolina Beach State Park - Visitor center
Cliffs of the Neuse State Park - Office, bathhouse, campground
Crowders Mountain State Park - Visitor center
Crowders Mountain State Park - 292 acres
Duke Power State Park - Community building
Eno River State Park - Picnic area
Fort Fisher State Recreation Area - Visitor contact station
Fort Macon State Park - Fort restoration
Goose Creek State Park - Visitor center/Phase I Environmental education center
Hanging Rock State Park - Visitor center
Hanging Rock State Park - 350 acres
Jockey's Ridge State Park - Visitor center/Concession building
Kerr Lake State Recreation Area - Visitor center/Development
Lake James State Park - Maintenance building
Lake Waccamaw State Park - Visitor center
Lumber River State Park - Office, picnic area, campground at Princess Ann Access
Lumber River State Park - 1500 acres
Merchants Millpond State Park - Picnic area
Medoc Mountain State Park - Office, campground, maintenance buildings
Morrow Mountain State Park - Campground, maintenance area

Mount Jefferson State Natural Area - Picnic area, trail development
Mount Mitchell State Park - Museum renovations, handicap access, utilities
Mount Mitchell State Park - 350 acres
New River State Park - Site #3 development
Pettigrew State Park - West End Access development
Raven Rock State Park - Maintenance area
South Mountains State Park - Horse cam,p/Picnic area
Stone Mountain State Park - Picnic area
Stone Mountain State Park - 426 acres
William B. Umstead State Park - Visitor center

OTHER

Funding is also requested for the operation of the following projects, with funding sources as indicated:

Falls Lake State Recreation Area - 1050 acres, trail	(Transfer from WRC)
Occoneechee Mountain State Natural Area - 150 acres	(New park, authorized 1994)
Run Hill State Natural Area - 130 acres	(New park, authorized 1995)
Singletary Lake State Park - Group camp	(1995 Capital Appropriation)
Weymouth Woods State Natural Area - 97 acres	(Natural Heritage Trust Fund)

R-72

Why DPPEA Should Not Be Privatized

Privatization of the Division of Pollution Prevention and Environmental Assistance (DPPEA) would severely impact the goal of the state to promote a healthy environment and a sound economy. To attain this goal, state government needs a balanced approach between technical assistance and regulatory enforcement. The services of DPPEA embody this goal by providing a pollution prevention approach designed to encourage a shift from using costly traditional pollution control technologies to a cost-avoiding prevention approach (i.e. eliminating, reducing or recycling wastes before they become pollutants).

The services of DPPEA are not available anywhere else in the state and would be difficult for the private sector to develop. As a part of state government, the Division is able to leverage a broad range of state, federal and private resources to meet the needs of industries, businesses and local governments. This coordinated effort provides access to affordable training courses, technical materials and expertise that would not otherwise be available. This effort by DPPEA allows the State to provide timely information to affected entities on changing regulations, policies and statutes.

Since NC's pollution prevention effort was first established in FY1984, it has developed the resources and expertise needed to address the types of waste generated by NC's business, industries and local governments. DPPEA is recognized across the nation as the leader in the development of information resources, publications, training and outreach efforts, and technical assistance on pollution prevention. DPPEA's technical assistance provides a starting point and tools for the development of a cost effective waste management program based on pollution prevention. DPPEA resources enable private and public sector clients to make more informed and timely decisions on cost-effective waste management programs. These resources are used by businesses, industries, local governments, consultants, state agencies, universities and private citizens.

Very few consultants in the nation provide comprehensive pollution prevention services. An environmental consultant stated at a recent professional conference, "The scant number of pollution control consultants offering private sector pollution prevention services is ample proof of the difficult nature of this business." There are many reasons for this. For example, pollution prevention projects result in significantly fewer billable hours compared to capital-intensive pollution control projects. Also pollution prevention projects require extensive customization for individual clients based on their production process and management structure. The services DPPEA provides are complementary to those provided by consultants. In fact, consultants use DPPEA's resources to identify solutions for their clients.

While DPPEA does work with individual clients it maintains a larger statewide perspective. DPPEA develops proactive services to address whole industrial sectors, specific waste streams, types of government agencies, or impacted geographic regions. The statewide perspective sets DPPEA apart from the approach taken by other public and private sectors assistance groups.

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FY-97 GRANTS

Recipient	Area Affected	Purpose/Outcome	Amount	Grantee Match
Miller Control and Manuf. Co., Inc.	Clinton/ Sampson	Demonstrate alternative fiberglass lay-up procedures incorporating the use of scrap fiberglass as filler to reduce styrene resin requirements and associated emissions by up to 20%. Significant reduction potential for air emissions and solid waste. Project has large transfer potential to other fiberglass fabricators.	$5,800	$9,550
Converse, Inc.	Lumberton/ Robeson	Demonstrate use of water-based adhesives and infrared curing in place of solvent-based adhesives in athletic shoe manufacturing. Huge potential reduction in hexane emissions and energy consumption. Potential application for other large adhesive users.	$15,000	$202,000
Eaton Corporation	Fletcher/ Buncombe	Demonstrate the process for developing an Environmental Management System following the guidelines for ISO 14001. Supply documentation of the steps and procedures followed in developing and implementing the system. Many companies are interested in guidance materials on developing an environmental management system.	$10,000	$140,000
One Hour Koretizing	Rocky Mount/ Nash	Demonstrate efficacy of wet cleaning of garments previously considered dry-clean only. Opportunity to significantly lower air emissions and hazardous waste generation and liability from dry cleaning industry.	$9,875	$30,000
NCSU College of Textiles	Raleigh/ Wake	Fund a project to evaluate and demonstrate a system to provide real-time monitoring and process control of a textile dyeing process. This project has great potential for transfer to textile wet processing plants and great potential for reducing water pollutants, water and energy consumption, and cost in the textile industry.	$22,200	N/A
Carolina Power & Light Co., Inc.	Roxboro/ Person	Demonstrate a system to separate flyash into carbon-rich and carbon-depleted streams. The carbon-rich stream will be returned to the power plant boiler and re-burned to utilize the residual energy source, and commercial recycling opportunities for the carbon-depleted stream will be examined. If successful, the project can be potentially duplicated on a smaller scale by other non-utilities that operate coal-fired boilers to lower coal costs and ash management costs.	$7,500	$1,550,000
County School Bus Garages in 10 counties	Numerous cities and counties	Project will demonstrate and evaluate the effectiveness of by-pass oil filters on school buses. This technology is reported to eliminate the need for oil changes while reducing engine wear and enhancin fuel economy. Participating counties are currently being identified.	$20,000	N/A
UNC Water Resources Research Inst.	Raleigh/ Wake	Fund a pollution prevention internship program to provide valuable work experience to interested students at North Carolina's public and private institutions of higher learning.	$40,000	N/A
Land-of-Sky Council	Asheville/ Buncombe	Fund development of technical information resources on water conservation and pollution prevention by retired engineers and scientists participating in the NC Waste Reduction and Technology Transfer program.	$4,000	N/A
UNC Water Resources Res. Inst.	Raleigh/ Wake	Fund a pollution prevention internship program to provide valuable work experience to interested students at North Carolina's public and private institutions of higher learning.	$40,000	N/A

R-74

Randolph County	Randolph	Randolph County will install processing equipment to expand its recycling program for mixed paper, corrugated cardboard, and textile cones and tubes.	$25,000	$2,500
Union County	Union	Union County will purchase equipment to expand its school and business paper collection program.	$25,000	$2,500
Pitt County	Pitt	Pitt County and the Eastern Carolina Vocational Center will expand their collection and processing systems to accept regular and junk mail, brown paper bags, and additional newspaper and cardboard.	$25,000	$2,500
Caldwell County	Caldwell	Caldwell County will implement a paper waste reduction program throughout its school system and at county businesses and industries.	$25,000	$2,500
Conwed Fibers	Western NC	Conwed Fibers will expand its production of "Enviroblend" hydro-mulch, which will increase its consumption of recycled newsprint by 3500 tons annually.	$25,000	$2,500
NC Chapter, SW Assoc. of North. America	Statewide impact	DPPEA, US EPA Region IV, and NC SWANA have cosponsored a workshop to train local officials and their contracted haulers to capture greater efficiencies in their recycling collection programs.	$5,000	$5,000
Wake County	Wake County and statewide impact	Wake County will implement a pilot recycling and waste reduction program in a local hotel. The project will yield information that can be used for similar efforts statewide.	$5,000	$2,000
NC Recyc. Assoc.	Statewide impact	NCRA conducted registration and other logistics for the 1996 Recycling Coordinators Training Course in Raleigh and Charlotte.	$15,275	N/A
UNC Public Policy Prog.	N/A	The UNC-CH Public Policy administered the contract to provide two interns to DPPEA over the course of FY97.	$25,479	N/A
Woodbin2	Wake County and statewide impact	Woodbin2 is conducting a "Home Builder's Recycling Initiative," testing source separation recycling collection techniques for construction materials on new home sites.	$29,000	$10,000

FY-96 GRANTS

Recipient	Area Affected	Purpose	Amount	Grantee Match
ABB Power T&D Company	Greensboro/ Guilford	Demonstrate powder coatings on non-conductive fiberglass tubes as an alternative to solvent-based spray coating. This demonstration opens the door for other uses of this cost-saving, emission-reducing coating technology for coating non-conductive materials such as plastic and wood.	$15,000	$145,000
Athol Corporation	Burner/ Granville	Demonstrate a process to cryogenically separate PVC coating from fabric and to reuse the recovered PVC in the process. Work still ongoing.	$15,000	$117,000
Burlington Chemical Company.	Burlington/ Alamance	Demonstrate the use of a stress gene assay to develop less-toxic products for the textile industry. The technique will enable textile wet processors and other chemical users to determine specific raw materials that contribute to aquatic toxicity so that they can find substitutes or minimize their use. Effluent toxicity is a significant concern for textile mills and towns with large textile mills.	$15,000	$28,620
ECU Dept. of Indust. Tech.	Greenville/ Pitt	Determine and document best manufacturing practices for open-mold fiberglass fabrication operations. The demonstration site that implemented these practices realized a 62% reduction in waste and an improvement in product quality.	$17,600	N/A

Hankison International	Newport/ Carteret	Demonstrate a system to recycle wastewater from its metal cleaning and pretreatment operation and to switch to a powder coating system from the current solvent based painting operation. This innovative system has been duplicated at several other locations (e.g., Hogslat, Inc. in Newton Grove) enabling companies to attain compliance with wastewater permit requirements.	$15,000	$785,000
Kiel, Woodward & Assoc.	Chapel Hill/ Orange	Study and document management approaches of 13 companies who are recognized as leaders in environmental management. Information gathered and contacts made will be highlighted in a conference on environmental management systems in FY 98. This study was a follow up to an EPA-funded study that resulted in case studies of 6 North Carolina companies.	$11,600	N/A
Maple Springs Laundry	Hickory/ Catawba	Demonstrate the use of runnel washing equipment and hydrogen peroxide in place of hypochlorite in a commercial laundry operation. The project resulted in large savings on water, energy, and chemical usage, plus a dramatic increase in plant throughput. The results have significant transfer potential.	$20,000	$330,000
Randolph County	Randolph	Provide funds for the county to implement a coordinated multi-media waste reduction outreach program. The project has resulted in several sector-specific workshops (e.g., textiles, auto repair, restaurants, industrial wastewater management). The project will culminate in a report documenting reduction in waste generation, improvement in regulatory compliance, and increased awareness of pollution prevention opportunities.	$15,000	N/A
Solectron Technology Inc.	Charlotte/ Mecklenburg	Demonstrate a no-clean, VOC-free process for its printed circuit board manufacturing operation. Project succesfully demonstrated. Large transfer potential.	$10,000	$240,000
B & B Top Soil Mine, Inc.	Durham, Granville, Vance	B& B Top Soil Mines will expand operations that divert stumps, brush and yard waste.	$40,000	$8,000
Buncombe County	Buncombe	Buncombe County purchased office recycling containers, conducted program promotion and education, and expanded in-house recyclables collection to reduce waste disposal costs.	$20,000	$5,000
Cornerstone Christian Center	Gaston	Cornerstone Christian Center purchased a utility vehicle to increase recycling collections from businesses and multi-family units.	$20,000	$5,000
Town of Kill Devil Hills	Dare/Kill Devil Hills	Kill Devil Hills purchased of six 40-yard roll-off containers to increase recycling collections and decrease recycling transportation and processing costs.	$18,504	$4,625
Burke County	Burke	Burke County developed Consumer Source Reduction Education Centers at convenience centers providing information on backyard composting, bulk mail reduction, toxicity reduction, and enviro-shopping.	$11,604	$3,000
Town of Farmville	Farmville/ Pitt Co.	Farmville purchased a horizontal baler to reduce labor costs and increase materials handling efficiency.	$20,000	$5,000
Keep Iredell Clean	Iredell	Keep Iredell Clean established a program offering recycling collections from small businesses, hosting a Recycling Expo, and linking recycling companies with generators.	$14,520	$3,630
The Scrap Exchange	Durham, Wake, Orange	The Scrap Exchange expanded collection service to industrial generators through purchase of a new collection vehicle.	$18,600	$4,650

R-76

NCSU, Animal Waste Mgt. Center	Statewide impact	NC State will conduct tests on a scrap gypsum based product to determine whether it is a viable alternative to treating swine waste odor.	$22,799	N/A
Stanly County	Stanly	Stanly County purchased a computer and software to track recyclables tonnages, manage a database of commercial and industrial generators, and produce educational materials for county residents.	$2,758	$700
Martin Co./Martin Enterprises	Martin	Martin County and Martin Enterprises purchased a horizontal baler to expand cardboard collection and initiate white office paper recycling.	$20,000	$5,000
Alleghany County	Alleghany	Alleghaby County constructed a larger recyclables processing center and purchased a baler and fork lift to increase the number of materials accepted and allow for more collection sites.	$20,000	$5,000
New Hanover	New Hanover	New Hanover County expanded its household battery collection program to include 2 additonal retail outlets, 2 school sites, and offering information to 5 commercial generators.	$7,811	$2,000
Polymer Reclaim & Exchange	Statewide impact	Polymer Reclaim & Exchange will expand its small-scale vinyl siding program statewide, increasing collections from 110,000 to 300,000 pounds per month.	$60,000	$12,000
Albemarle Regional SWMA	Hyde,Dare Tyrell, Gates, Perquiman, Currituck, Chowan	Albemarle Solid Waste Authority purchased equipment to interface with existing main frame computer and electronic scales to record and track waste from point of generation to marketing.	$4,000	$1,000
North Carolina Recycling Assoc	Statewide impact	NCRA's Collegiate Recycling Council created a directory of model campus waste reduction programs and published it on the world wide web.	$5,450	$1,000
Madison County	Madison	Madison County expanded and improved recycling programs for office paper, mixed paper, and corrugated cardboard at county schools, businesses, and staffed convenience centers.	$20,480	$4,000
North Carolina Harvest, Inc.	Mecklenburg and surrounding counties	North Carolina Harvest, Inc. purchased a truck to expand produce recovery effort from the Charlotte Regional Farmer's Market and area food brokers.	$10,000	$2,000
Inter-Faith Food Shuttle	Wake and surrounding counties	Inter-Faith Food Shuttle purchaseed a truck to expand its food collection from NC State Farmer's Market and local donors.	$10,000	$2,000
Good Shepherd House	New Hanover and surrounding counties	Good Shepherd House purchased and installed a commercial, walk-in cooler for donated food from area restaurants, grocery stores, and institutions.	$10,000	$2,000
Univ. Honors Prog./UNC-Charl.	Charlotte	The University Honors Program at UNCC added refrigeration and upgraded a van for food collections from campus cafeterias.	$5,130	$1,000
Craven County	Craven	Craven County purchased computer equipment and software to facilitate solid waste sticker distribution and redemption program.	$2,800	$700

R-77

Grants prior to FY95-96

McKay's Dry Cleaners - Raleigh/ Wake County - $15,000
Demonstrate multi-process garment cleaning, a combination of wet and dry cleaning. The project will assess the applicability to multi-process cleaning to various fabrics.

Sara Lee Knit Products - Morganton/ Burke County - $9,422
Demonstrate reusing spent brine solutions from dyeing process. Reusing spent dyebaths will help eliminate the need for expensive color and salt removal equipment.

Sno White Cleaners - Greensboro/ Guilford - $10,000
Install condensation system to recover petroleum solvents currently being vented to the atmosphere. The recovered solvents would be distilled and reused, reducing virgin solvent purchases.

Nomaco, Inc - Zebulon/ Guilford - $15,000
Construct a facility to grind, melt, redensify, and repelletize plastic foam scrap generated from production operations. The recovered plastic will be returned to the manufacturing process or sold to other users. This would reduce solid waste by 80%.

ChemEnco, Inc - Charlotte/ Mecklenburg - $15,000
Demonstrate production of sulfuric acid using spent wastewater from the textile dye industry as a feedstock. This wastewater contains large quantities of dilute sulfuric acid which can be potentially be reclaimed and marketed.

Spectrum Recycling, Corp. - Charlotte/ Mecklenburg - $15,000
Expand a pelletizing line for recycling nylon and polyester scrap from the textile industry. This project will convert 8 million pounds of scrap fiber into usable product.

NCSU Furniture Manufacturing and Management Center - $15,000
Survey wood furniture manufacturers to assess recordkeeping practices for material usage. Develop recordkeeping and reporting software program to aid small furniture manufacturers. Develop educational materials.

UNC Water Resources Research Institute - $30,000
Contract for student internship program.

ECU School of Industrial Technologies - $21,100
Update and expand pollution prevention manual for boat-building and composite reinforced plastic manufacturers

Kenan-Flagler Business School (UNC) - $3,000
Conduct a business survey of furniture industry executives to assess their attitudes toward environmental management issues and pollution prevention.

NCSU College of Textiles - Statewide Impact - $50,000
Expand database of environmental parameters of textile chemicals. Test expert system to predict effluent parameters with a given set of chemical inputs and operating conditions.

Albemarle Regional Solid Waste Management Authority - $13,750
Implementation of a household hazardous waste education , paint swap, and antifreeze recycling.

R-78

Cleveland County/Towns of Shelby and Kings Mountain - $30,000
Construction of Recycling/Waste Reduction Centers

McDowell County - $8,270
Construction of staffed convenience centers

City of King/Stokes County - $30,000
Construction of a staffed convenience center

Brunswick County/Town of Long Beach - $10,900
Implementation and assessment of a blue bag recycling program targeting permanent residents and tourists

Alexander County - $10,905
Upgrade of Recyclables Collection at Drop Off Centers

Caswell County - $15,000
Purchase of truck for transporting recyclables and materials recovery facility upgrade

New Hanover County - $8,330
Construction of glass storage bunkers

Davie County - $15,000
Materials Recovery Facility Upgrade

Craven County - $5,000
Implementation of a paint exchange program

Woodbin 2 Project - $4,000
Development of self-build kits for children's playhouses from discarded building materials

The Scrap Exchange - $5,000
Purchase of a van for collecting donated materials from industrial generators

Town of Windsor - $1,750
Establishment of backyard composting program

North Carolina Recycling Assoc./ NC Composting and Organics Recycling Council - $5,000
Conduct a statewide backyard composting training workshop

Martin County/Martin Enterprises - $25,000
Purchase of a truck and skidder loader for a business corrugated cardboard collection route

Craftsman Fabrics Industries - Concord/ Cabarrus - $15,000 ($22,112 company match)
Reduce water and chemical consumption through improved dyebath equipment process control

Hatteras Yachts - High Point/ Guilford - $15,000 ($20,295 company match)
Evaluate HVLP spray guns for polyester gel and direct application roller equipment of polyester resin in large boat manufacturing.

R-79

Hatteras Yachts - New Bern/ Craven - $15,000 ($19,346 company match)
Evaluate new multi-component HVLP spray equipment for applying linear polyurethane exterior pain for fiberglass yachts.

C&R Electroless Nickel Services - Gastonia/Gaston - $10,000 ($30,445 company match)
Implement closed loop electroless nickel plating line; record before/after savings and reduction in pollutant releases

Trinity America Corp. - Glenola/ Randolph - $15,000 ($15,000 company match)
Pilot test equipment for manufacturing flexible polyurethane foam without use of auxiliary blowing agents.

T.S. Designs, Inc. - Burlington/ Alamance - $2,573 ($2,573 company match)
Design and install recovery system for water and chemicals used in cleaning ink printing screens.

Henredon Furniture Industries - Spruce Pine/ McDowell - $12,900 ($15,080 company match)
Retrofit spray booth with reusable metal filters, evaluate hybrid water-borne coating conversion for high-end wood furniture manufacturing.

Kemet Electronics Corp. - Shelby/ Cleveland - $15,000 ($80,285 company match)
Develop process to reclaim latex/ceramic film for reuse in capacitor manufacturing.

Mannington Ceramic Tile - Lexington/ Davidson - $1,950 ($1,950 company match)
Reduce water consumption by 85% to 90% with low-cost wastewater reuse project.

Tillet Chemical, Inc. - Charlotte/ Mecklenburg - $14,000 ($36,300 company match)
Substitute methyl chloroform with isopropyl alcohol in manufactur of carboxymethyl starch.

Randolph County - $10,000
Initiation of a waste reduction program targeting the county's textile industry

Burke County - $3,000
Development of a waste reduction information and referral service for businesses

Ashe County - $15,000
Establish five permanent recycling drop-off centers

Town of Andrews - $15,000
Construct three trailers and a purchase a truck to activate a voluntary/partially mandatory curbside recycling program.

Town of Butner - $11,900
Expanded plastics collection program, establish a baling and processing center, and conduct an educational program for area schools.

Burke County - $15,000
Construct a permanent recycling center for processing and recycling chlorofluorocarbons (CFC's) extracted from white goods prior to recycling.

Camden County - $7,467
Complete the improvement of three staffed recycling centers, including addition of more recycling containers.

R-80

Caldwell County - $15,000
Construct a staffed convenience center in a remote area, establish a mobile recycling drop-off program and conduct intensive recycling education in Caldwell elementary schools.

Cape Fear (Region O) Council of Governments - $31,798
Implement a region-wide waste reduction and recycling program with emphasis on commercial and industrial recycling, regional marketing, and education.

Edgecombe County - $15,000
Construct and implement a recycling center in a rural area of the county.

Town of Faison - $2,410
Construct an unloading ramp to process recyclables (particularly plastics) more efficiently.

Northampton County - $5,000
Collect, process, and market plastic pesticide containers and implement an educational program for area farmers.

Mecklenburg County - $ 7,825
Produce a waste reduction video for distribution to elementary schools across the state featuring the Charlotte Hornet's star "Muggsy" Bogues.

Town of Princeville - $15,000
Establish a curbside recycling program and sorting center to process the materials collected.

Stanly County - $15,000
Purchase recycling containers to begin collection of PETE and HDPE plastic and steel cans

Town of Wallace - $15,000
Cardboard collection service was provided to business and industry within the Town of Wallace

Pasquotank and Camden Counties - $30,500
Establish a collection program for glass, newspaper, aluminum cans, and HDPE and PETE plastics for commercial, institutional, and industrial establishments in both counties

Burke County - $8,000
Develop an educational campaign targeting the elimination of contaminants in the recycling stream.

Durham, Durham County, and SunShares - $50,000
Production of "Bull Durt," a compost utilizing mixed paper waste and sludge.

Perquimans-Chowan-Gates Solid Waste Management- $45,000
Expand existing cardboard and pilot waste paper programs by constructing a 40' x 60' in-door storage/processing center and loading ramp, and purchasing a one-ton truck for collections.

Madison County and Mars Hill - $42,110
Develop a joint composting project utilizing wet food waste and mixed paper waste

Martin County and Martin Enterprises - $50,000

R-81

Establish a corrugated cardboard collection and processing site at Martin Enterprises, giving businesses in Martin County a financial incentive to recycle corrugated

Gaston County - $23,655
Expand the physical facilities of the Cornerstone Christian Center recycling site to create a multi-material residential/commercial drop-off center

Minorities in Recycling and Environmental Management - $50,000
Develop a public housing recycling project for the cities of Durham and Greensboro modeled after the successful pilot program in Durham's Fayetteville Street Housing community.

Pamlico County and Pamlico County Towns- $50,000
Begin a composting project utilizing shredded mixed paper and fish waste produced in four local counties.

Farmville - $15,000
Promote source reduction by supplying 60 households with composting bins and training in backyard composting and provide area offices, schools, and businesses with recycling bins and service for office paper.

The Scrap Exchange - $8,500
Expand its collection of clean industrial discards for its innovative reuse program.

Town of Windsor - $2,500
Purchase a recycling trailer to encourage greater participation and collection efficiencies.

Triangle J Council of Governments - $49,520
Design, construct, and equip four, permanent household hazardous waste collection facilities in Chatham, Durham, Orange, and Wake counties

Tri-County Solid Waste Management Authority - $25,900
Buy two Bobcat loaders to increase efficiencyof processing of recyclables in Cherokee and Clay counties and buy two drop-off recycling trailer sfor Graham County

City of Wilmington - $3500
Establish a pilot drop-off program in one of its eight federally supported housing projects

Rowan County - $15,000
Purchase a used/refurbished horizontal baler to increase efficiency.

New Hanover County - $4,667
Expand and integrate its existing backyard composting programs, including the development of comprehensive curriculum for schools and assistance for school composting.

Coastal Regional Solid Waste Management Authority - $50,000
Construct a co-composting facility for a leaf and yardwaste composting project and begin a pilot leaf and yardwaste/sludge composting project.

City of Rocky Mount - $14,500
Install a mobile plastics compactor on each of its four curbside recycling vehicles.

DIVISION OF AIR QUALITY

- Attached is a table summarizing new positions added to DAQ since 1993. Also attached is a listing of the fund shifts from appropriations to receipts that occurred in July 1, 1995 in response to the fifteen position cutback imposed by the General Assembly (fourteen positions were fund shifted and one position was permanently abolished).

- The FY 1995-96 year end cash balances and projected FY 1996-97 year end cash balances are summarized below:

	2331	2333	2334	2338
FY 96	$681,819.01	$4,542,079.94	$5,626,529.90	$527,888.18
FY 97 (projected)	$351,572.00	$3,271,754.00	$2,167,228.00	$293,288.00

The receipts are utilized as follows:

2331 (non Title V permit fees) - to implement a portion of the permitting and compliance activities for non-Title V permits (not to exceed 30% of total program costs)

2333 (Title V)- to implement 100% of the permitting and compliance activities for Title V permits

2334 (fuel tax) - to supplement the non-Title V permit activities and to perform mobile source pollution reduction activities

2338 (inspection/maintenance) - for implementing mobile source activities including oversight of the I/M program, conformity determinations (ensuring new highway construction does not adversely impact air quality) and vapor recovery programs at gasoline stations.

- A state match is required for federal receipts. The federal Clean Air Act (excerpt attached) requires that the EPA Air Grant cannot exceed three-fifths of the cost of implementing programs for the prevention and control of air pollution or implementation of national primary and secondary ambient air quality standards, i.e., the state match must be at least 40% of the program cost.

Of even more importance for the Air Quality Program is another requirement in the federal Clean Air Act - the Maintenance of Effort (MOE) Requirement. The MOE requirement is that the state's non-federal funds for recurrent expenditures for air pollution control programs in a federal fiscal year will be equal to or exceed these expenditures for the preceding federal fiscal year. This Air Grant MOE rachet mechanism is distinct from some other federal grant programs where an MOE requirement simply refers to a fixed base year.

DAQ Position History
Numbers from BRS

	Initials	Date
Prepared By	RLC	3-20-97
Approved By		

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MADE IN U.S.A.

R-83

	1	2	3	4	5
	Current 3-97	6-30-96	6-30-95	6-30-94	6-30-93
STATE - 1770	23	23	39	41 ✓	41 ✓
F/R - 1770	33	33	34	37 ✓	37 ✓
1775	160	164	202	139 ✓	89 ✓
1780	11	9	9	9 ✓	9 ✓
1785	49.75	43.75	—	—	— ✓
TOTAL	276.75	278.75	284	226	176

STATE OF NORTH CAROLINA PAGE 1

DEHNR-GENERAL EFFECTIVE DATE 10/31/95

R-84

BD 606 NO. 11 0191

SUBJECT FUND 1645, 1700 - FUND SHIFTS CODE 14300

SUBMITTED 12/29/95 APPROVED 02/19/96 FISCAL YEAR 1995-97

STATUS FILED ATTACHMENT YES CODES B

ACCOUNT CENTER REQUIREMENTS			**** 1995-96 ***** INCREASE	DECREASE	**** 1996-97 ***** INCREASE	DECREASE
AIR QUALITY-PERMIT FEES						
1212	16456451	SPA-REG SALARIES		18,236		24,314
1212	16456455	SPA-REG SALARIES		903,223		1,204,298
1212	16456458	SPA-REG SALARIES		26,884		35,845
1512	16456451	SOCIAL SEC CONTR		1,395		1,860
1512	16456455	SOCIAL SEC CONTR		69,097		92,129
1512	16456458	SOCIAL SEC CONTR		2,057		2,742
1522	16456451	REG RET CONTRIB-		1,975		2,633
1522	16456455	REG RET CONTRIB-		97,819		130,425
1522	16456458	REG RET CONTRIB-		2,912		3,882
1562	16456455	MED INS CONTRIB-		49,476		65,968
1562	16456458	MED INS CONTRIB-		1,302		1,736
AQ FUEL TAX						
1212	1700	SPA-REG SALARIES	948,343		1,264,457	
1512	1700	SOCIAL SEC CONTR	72,549		96,731	
1522	1700	REG RET CONTRIB-	102,706		136,940	
1562	1700	MED INS CONTRIB-	50,778		67,704	
*** TOTAL REQUIREMENTS			0	0	0	0
RECEIPTS						
AIR QUALITY-PERMIT FEES						
8176	16456455	TFR FRM FUND 243		1,119,615		1,492,820
8176	16456458	TFR FRM FUND 243		33,155		44,205
8193	16456451	TFR FRM CODE 243		21,606		28,807
AQ FUEL TAX						
8134	1700	TRANS FROM 24301	1,174,376		1,565,832	
*** TOTAL RECEIPTS			0	0	0	0

REMARKS(JUSTIFICATION):

ATTACHED IS A LIST OF POSITIONS WHICH WE REQUEST TO FUND SHIFT EFFECTIVE 10-1-95. THESE FUNDS SHIFTS ARE REQUESTED IN ORDER TO SHIFT PEOPLE INTO THE FUND FOR WHICH THEY ARE DOING WORK. THE INITIAL FUNDS FOR THE EXPANSION OF THE AIR QUALITY SECTION WERE GENERATED FROM THE CLEAN AIR ASSESSMENT FEES (OR RAMP UP FEES) CHARGED TO APPROXIMATELY 300 MAJOR INDUSTRIES IN THE STATE. WE RECEIVED APPROXIMATELY $1 MILLION, $4 MILLION AND $4 ILLION IN FISCAL YEARS 1992,1993 AND 1994 RESPECTIVELY. ALL OF THE POSITIONS THAT WERE ADDED DURING THIS PERIOD WERE FUNDED BY THESE FEES WHICH EVENTUALLY BECAME THE TITLE V FUND. IT WAS KNOWN AT THAT TIME THAT

DEHNR-GENERAL EFFECTIVE DATE 10/31/95 R-85

BD 606 NO. 11 0191

SUBJECT FUND 1645, 1700 - FUND SHIFTS CODE 14300

SUBMITTED 12/29/95 APPROVED 02/19/96 FISCAL YEAR 1995-97

STATUS FILED ATTACHMENT YES CODES B

SOME OF THE NEW POSITIONS WOULD NOT END UP DOING TITLE V WORK AND THAT SOME EXISTING POSITIONS THAT WERE NOT CURRENTLY FUNDED BY TITLE V FEES W ERE ACTUALLY DOING TITLE V WORK. THE INTENT WAS TO REQUEST A MAJOR FUND SHIFT ONCE THE SECTION WAS CLOSE TO THE END OF THEIR EXPANSION, AND AFTER THERE WAS A BETTER UNDERSTANDING OF ACTUAL TITLE V NEEDS, INSTEAD OF REQUESTING NUMEROUS SMALLER FUND SHIFTS AS CONDITIONS KEPT CHANGING. IT IS IMPERATIVE THAT ALL TITLE V WORK BE PAID FOR WITH TITLE V FEES. THE FUEL TAX FUNDS HAVE ONLY BECOME AVAILABLE AS OF 1-1-95, AND OUR MOST RECENT EXPANSION HAS UTILIZED THESE FUNDS. YOUR APPROVAL IS REQUESTED.

PREPARED BY CATHEY S COTTLE	ON	10 31 95	
PASSED BY CATHEY S COTTLE	ON	10 31 95	
TO SHERRILL L. HARRIS			
PASSED BY SHERRILL L. HARRIS	ON	11 2 95	
TO JANE Q SMITH			
AGENCY APPROVAL ENTERED BY TERAH M COUNCILMAN	ON	11 28 95	
AS AUTHORIZED BY JANE Q SMITH			
SUBMITTED BY TERAH M COUNCILMAN	ON	11 28 95	
AS AUTHORIZED BY JANE Q SMITH			
RETURNED WITHOUT ACTION BY CECILIA EDGAR	ON	12 8 95	
AS AUTHORIZED BY J.W. REEL			
REVISED BY CATHEY S COTTLE	ON	12 14 95	
REVISED BY CATHEY S COTTLE	ON	12 14 95	
PASSED BY CATHEY S COTTLE	ON	12 14 95	
TO SHERRILL L. HARRIS			
AGENCY APPROVAL ENTERED BY SHERRILL L. HARRIS	ON	12 29 95	
AS AUTHORIZED BY JANE Q SMITH			
SUBMITTED BY SHERRILL L. HARRIS	ON	12 29 95	
AS AUTHORIZED BY JANE Q SMITH			
APPROVAL ENTERED BY CECILIA EDGAR	ON	2 19 96	
AS AUTHORIZED BY J.W. REEL			
FORMATTED FOR NCAS BY TERAH M COUNCILMAN	ON	3 14 96	

STATE OF NORTH CAROLINA PAGE 1

DEHNR-GENERAL EFFECTIVE DATE 07/01/95 R-86

BD 606 NO. 11 0087

SUBJECT FUND 1645, 1700 - ESTABLISH POSITIONS CODE 14300

SUBMITTED 07/24/95 APPROVED 08/25/95 FISCAL YEAR 1995-97

STATUS FILED ATTACHMENT NO CODES B

ACCOUNT CENTER REQUIREMENTS			**** 1995-96 *****		**** 1996-97 *****	
			INCREASE	DECREASE	INCREASE	DECREASE
AIR QUALITY-PERMIT FEES						
1212	16456455	SPA-REG SALARIES	79,408		79,408	
1512	16456455	SOCIAL SEC CONTR	6,075		6,075	
1522	16456455	REG RET CONTRIB-	8,704		8,704	
1562	16456455	MED INS CONTRIB-	3,472		3,472	
AQ FUEL TAX						
1212	1700	SPA-REG SALARIES	336,245		336,245	
1512	1700	SOCIAL SEC CONTR	25,723		25,723	
1522	1700	REG RET CONTRIB-	36,853		36,853	
1562	1700	MED INS CONTRIB-	20,832		20,832	
*** TOTAL REQUIREMENTS			517,312		517,312	
RECEIPTS						
AIR QUALITY-PERMIT FEES						
8176	16456455	TFR FRM FUND 243	97,659		97,659	
AQ FUEL TAX						
8134	1700	TRANS FROM 24301	419,653		419,653	
*** TOTAL RECEIPTS			517,312		517,312	

POSITIONS	CLASSIFICATION	POSITION NUMBER	SALARY	GRD	SCHEM	FTE
1700	1212 OFFICE ASST. III	4330 0000 0030 512	18,487	57	00403	1.00
1700	1212 ENVIR. SUPERVISOR II	4330 0000 0030 519	36,098	75	08674	1.00
1645	1212 ENVIR. ENGINEER II	4330 0000 0030 545	43,388	75	08612	1.00
1645	1212 ENVIR. ENGINEER II	4330 0000 0030 546	36,020	75	08612	1.00
1700	1212 ENVIR. ENGINEER I	4330 0000 0030 560	32,896	73	08611	1.00
1700	1212 ENVIR. ENGINEER I	4330 0000 0030 598	41,164	73	08611	1.00
1700	1212 ENVIR. TECHNICIAN V	4330 0000 0030 655	37,584	69	08652	1.00
1700	1212 ENVIR. TECHNICIAN II	4330 0000 0030 656	21,683	63	08658	1.00
1700	1212 ENVIR. TECHNICIAN II	4330 0000 0030 673	21,683	63	08658	1.00
1700	1212 ENVIR. TECHNICIAN II	4330 0000 0030 720	22,320	63	08658	1.00
1700	1212 ENVIR. TECHNICIAN V	4330 0000 0030 733	37,849	69	08652	1.00
1700	1212 ENVIR. TECHNICIAN II	4330 0000 0030 736	22,688	63	08658	1.00
1700	1212 ENVIR. TECHNICIAN II	4330 0000 0030 737	21,683	63	08658	1.00
1700	1212 ENVIR. TECHNICIAN II	4330 0000 0030 774	22,110	63	08658	1.00

REMARKS(JUSTIFICATION):

THE 1995 GENERAL ASSEMBLY MANDATED CUTS WHICH REQUIRED THAT POSITION NUMBERS

DEHNR-GENERAL EFFECTIVE DATE 07/01/95 R-87

BD 606 NO. 11 0087

SUBJECT FUND 1645, 1700 - ESTABLISH POSITIONS CODE 14300

SUBMITTED 07/24/95 APPROVED 08/25/95 FISCAL YEAR 1995-97

STATUS FILED ATTACHMENT NO CODES B

5245, 5216, 5037, 5241, 5233, 5227, 5228, 5232, 5276, 5231, 5207, 5220, 5238, AND 5246 BE FUND SHIFTED TO RECEIPTED FUNDS AND THE APPROPRIATED POSITIONS ABOLISHED. THIS REVISION WILL ESTABLISH NEW POSITIONS TO BE EFFECTIVE 7-1-95. POSITION NUMBERS 30545 AND 30546 AND BEING FUNDED FROM TITLE V MONEY WHICH IS COLLECTED IN FUND 2333 AND THE OTHER POSITIONS ARE BEING FUNDED FROM AIR QUALITY FUEL TAXES WHICH ARE COLLECTED IN FUND 2334 (CODE 24301). THESE FUNDS ARE TRANSFERRED TO THE GENERAL OPERATING FUND ON A MONTHLY BASIS TO COVER ACTUAL EXPENDITURES. YOUR APPROVAL IS REQUESTED.

PREPARED BY CATHEY S COTTLE ON 7 17 95
PASSED BY CATHEY S COTTLE ON 7 17 95
TO SHERRILL L. HARRIS
PASSED BY SHERRILL L. HARRIS ON 7 18 95
TO CATHEY S COTTLE
PASSED BY CATHEY S COTTLE ON 7 20 95
TO JANE Q SMITH
AGENCY APPROVAL ENTERED BY TERAH M COUNCILMAN ON 7 24 95
AS AUTHORIZED BY JANE Q SMITH
SUBMITTED BY TERAH M COUNCILMAN ON 7 24 95
AS AUTHORIZED BY JANE Q SMITH
APPROVAL ENTERED BY CECILIA EDGAR ON 8 25 95
AS AUTHORIZED BY J.W. REEL
FORMATTED FOR NCAS BY TERAH M COUNCILMAN ON 10 19 95
FORMATTED FOR NCAS BY TERAH M COUNCILMAN ON 10 24 95

STATE OF NORTH CAROLINA PAGE 1

DEHNR-GENERAL EFFECTIVE DATE 08/19/94 R-88

BD 606 NO. 11 0622

SUBJECT FUND 1645 - ESTABLISH POSITIONS CODE 14300

SUBMITTED 08/23/94 APPROVED 09/08/94 FISCAL YEAR 1994-95

STATUS FILED ATTACHMENT NO CODES R O

ACCOUNT CENTER REQUIREMENTS	**** 1993-94 ***** INCREASE	DECREASE	**** 1994-95 ***** INCREASE	DECREASE
AIR QUALITY-PERMIT FEES				
1645 1212 6452 SALARIES-STAFF-RECEI			48,114	
1645 1212 6455 SALARIES-STAFF-RECEI			747,681	
1645 1812 6452 SOC SEC CONT-RECEIPT			3,681	
1645 1812 6455 SOC SEC CONT-RECEIPT			57,198	
1645 1822 6452 RETIREMENT CONTR-REC			5,274	
1645 1822 6455 RETIREMENT CONTR-REC			81,946	
1645 1832 6452 HOSPITAL INS CONT-RE			2,604	
1645 1832 6455 HOSPITAL INS CONT-RE			44,268	
*** TOTAL REQUIREMENTS			990,766	
RECEIPTS				
AIR QUALITY-PERMIT FEES				
1645 0752 6452 TITLE V FEES			59,673	
1645 0752 6455 TITLE V FEES			931,093	
*** TOTAL RECEIPTS			990,766	

POSITIONS	CLASSIFICATION	POSITION NUMBER	SALARY	GRD	SCHEM	FTE
1645 1212	OFF. ASST. III	4305 0000 0005 050	16,622	57	00403	1.00
1645 1212	ENV. ENGINEER II	4305 0000 0005 051	34,981	75	08612	1.00
1645 1212	ENV. ENGINEER I	4305 0000 0005 064	31,947	73	08611	1.00
1645 1212	ENV. ENGINEER I	4305 0000 0005 065	31,947	73	08611	1.00
1645 1212	ENV. ENGINEER I	4305 0000 0005 066	31,947	73	08611	1.00
1645 1212	ENV. TECH. V	4305 0000 0005 067	26,946	69	08652	1.00
1645 1212	ENV. TECH. V	4305 0000 0005 068	26,946	69	08652	1.00
1645 1212	ENV. TECH. V	4305 0000 0005 069	26,946	69	08652	1.00
1645 1212	ENV. ENGINEER II	4305 0000 0005 070	34,981	75	08612	1.00
1645 1212	ENV. ENGINEER II	4305 0000 0005 071	34,981	75	08612	1.00
1645 1212	ENV. ENGINEER I	4305 0000 0005 072	31,947	73	08611	1.00
1645 1212	ENV. TECH. III	4305 0000 0005 073	22,794	65	08651	1.00
1645 1212	ENV. TECH. III	4305 0000 0005 084	22,794	65	08651	1.00
1645 1212	ENV. SPEC. II	4305 0000 0005 119	28,168	70	08839	1.00
1645 1212	ENV. ENGINEER I	4305 0000 0005 148	31,947	73	08611	1.00
1645 1212	ENV. ENGINEER II	4305 0000 0005 153	34,981	75	08612	1.00
1645 1212	ENV. ENGINEER I	4305 0000 0005 155	31,947	73	08611	1.00
1645 1212	ENV. TECH. II	4305 0000 0005 161	21,057	63	08658	1.00
1645 1212	ENV. ENGINEER II	4305 0000 0005 164	34,981	75	08612	1.00
1645 1212	ENV. ENGINEER I	4305 0000 0005 167	31,947	73	08611	1.00

[¶ 2105]

Sec. 105. GRANTS FOR SUPPORT OF AIR POLLUTION PLANNING AND CONTROL PROGRAMS

(a)(1)(A) The Administrator may make grants to air pollution control agencies, within the meaning of paragraph (1), (2), (3), (4), or (5) of section 302, in an amount up to three-fifths of the cost of implementing programs for the prevention and control of air pollution or implementation of national primary and secondary ambient air quality standards. For the purpose of this

section, "implementing" means any activity related to the planning, developing, establishing, carrying-out, improving, or maintaining of such programs.

(B) Subject to subsections (b) and (c) of this section, an air pollution control agency which receives a grant under subparagraph (A) and which contributes less than the required two-fifths minimum shall have 3 years following the date of the enactment of the Clean Air Act Amendments of 1990 in which to contribute such amount. If such an agency fails to meet and maintain this required level, the Administrator shall reduce the amount of the Federal contribution accordingly.

(C) With respect to any air quality control region or portion thereof for which there is an applicable implementation plan under section 110, grants under subparagraph (A) may be made only to air pollution control agencies which have substantial responsibilities for carrying out such applicable implementation plan.

(2) Before approving any grant under this subsection to any air pollution control agency within the meaning of sections 302(b)(2) and 302(b)(4), the Administrator shall receive assurances that such agency provides for adequate representation of appropriate State, interstate, local, and (when appropriate) international, interests in the air quality control region.

(3) Before approving any planning grant under this subsection to any air pollution control agency within the meaning of sections 302(b)(2) and 302(b)(4), the Administrator shall receive assurances that such agency has the capability of developing a comprehensive air quality plan for the air quality control region, which plan shall include (when appropriate) a recommended system of alerts to avert and reduce the risk of situations in which there may be imminent and serious danger to the public health or welfare from air pollutants and the various aspects relevant to the establishment of air quality standards for such air quality control region, including the concentration of industries, other commercial establishments, population and naturally occurring factors which shall affect such standards.

(b)(1) From the sums available for the purposes of subsection (a) of this section for any fiscal year, the Administrator shall from time to time make grants to air pollution control agencies upon such terms and conditions as the Administrator may find necessary to carry out the purpose of this section. In establishing regulations for the granting of such funds the Administrator shall, so far as practicable, give due consideration to (A) the population, (B) the extent of the actual or potential air pollution problem, and (C) the financial need of the respective agencies.

(2) Not more than 10 per centum of the total of funds appropriated or allocated for the purposes of subsection (a) of this section shall be granted for air pollution control programs in any one State. In the case of a grant for a program in an area crossing State boundaries, the Administrator shall determine the portion of such grant that is chargeable to the percentage limitation under this subsection for each State into which such

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area extends. Subject to the provisions of paragraph (1) of this subsection, no State shall have made available to it for application less than one-half of 1 per centum of the annual appropriation for grants under this section for grants to agencies within such State.

(c) MAINTENANCE OF EFFORT.—(1) No agency shall receive any grant under this section during any fiscal year when its expenditures of non-Federal funds for recurrent expenditures for air pollution control programs will be less than its expenditures were for such programs during the preceding fiscal year. In order for the Administrator to award grants under this section in a timely manner each fiscal year, the Administrator shall compare an agency's prospective expenditure level to that of its second preceding fiscal year. The Administrator shall revise the current regulations which define applicable nonrecurrent and recurrent expenditures, and in so doing, give due consideration to exempting an agency from the limitations of this paragraph and subsection (a) due to periodic increases experienced by that agency from time to time in its annual expenditures for purposes acceptable to the Administrator for that fiscal year.

(2) The Administrator may still award a grant to an agency not meeting the requirements of paragraph (1) of this subsection if the Administrator, after notice and opportunity for public hearing, determines that a reduction in expenditures is attributable to a non-selective reduction in the expenditures in the programs of all Executive branch agencies of the applicable unit of Government. No agency shall receive any grant under this section with respect to the maintenance of a program for the prevention and control of air pollution unless the Administrator is satisfied that such a grant will be so used to supplement and, to the extent practicable, increase the level of State, local, or other non-Federal funds. No grants shall be made under this section until the Administrator has consulted with the appropriate official as designated by the Governor or Governors of the State or States affected.

(d) The Administrator, with the concurrence of any recipient of a grant under this section, may reduce the payments to such recipient by the amount of the pay, allowances, traveling expenses, and any other costs in connection with the detail of any officer or employee to the recipient under section 301 of this Act, when such detail is for the convenience of, and at the request of, such recipient and for the purpose of carrying out the provisions of this Act. The amount by which such payments have been reduced shall be available for payment of such costs by the Administrator, but shall, for the purpose of determining the amount of any grant to a recipient under subsection (a) of this section, be deemed to have been paid to such agency.

(e) No application by a State for a grant under this section may be disapproved by the Administrator without prior notice and opportunity for a public hearing in the affected State, and no commitment or obligation of any funds under any such grant may be revoked or reduced without prior notice and opportunity for a public hearing in the affected State (or in one of the affected States if more than one State is affected).

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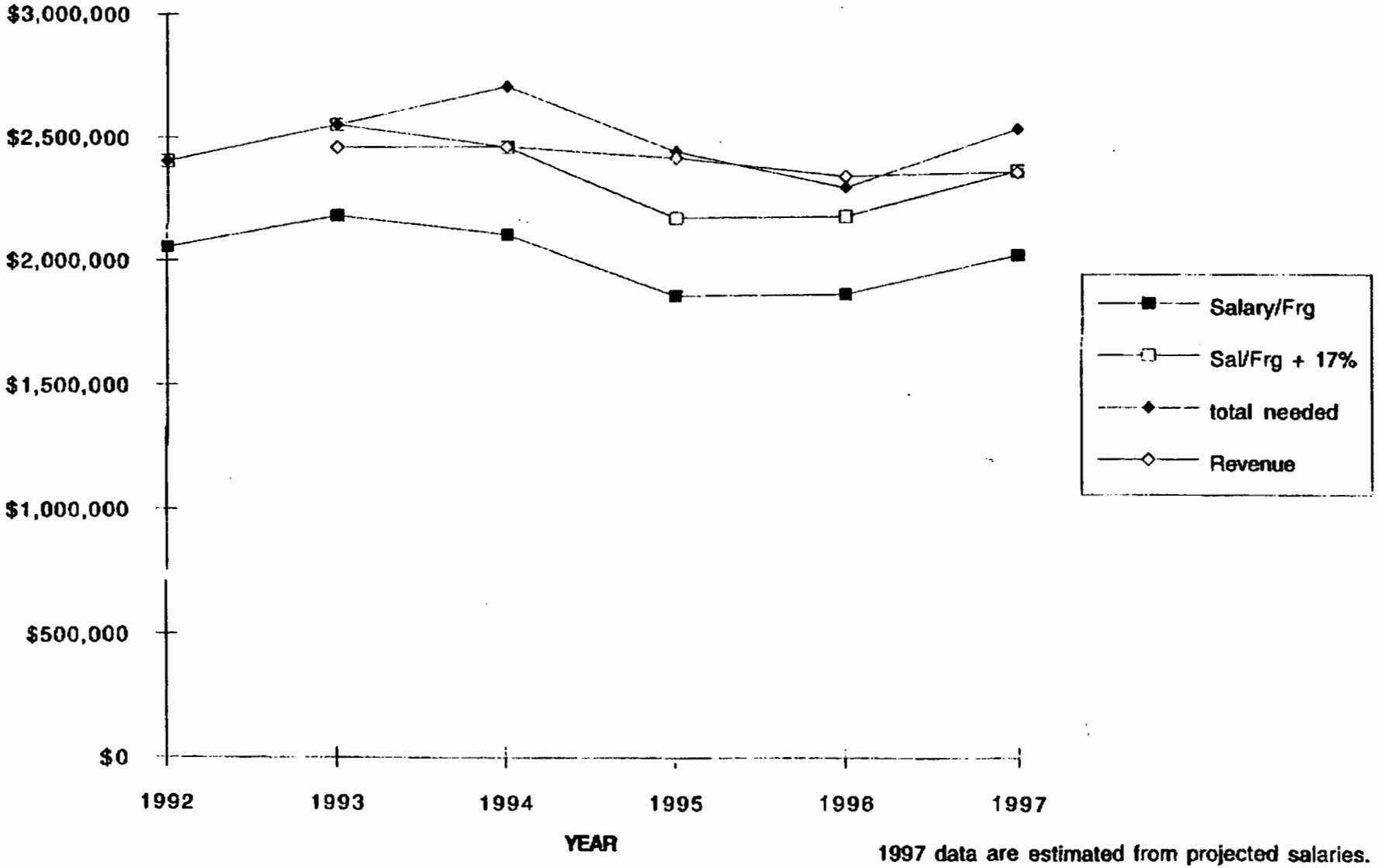
Summary Program Needs

EPA 106 Grant							
Year	Salary/Frg	Sal/Frg + 17%	indirect	total needed	Revenue	Over/under	
1997	$2,015,693	$2,358,361	$169,594	$2,527,955	$2,352,252	($175,703)	
1996	$1,857,937	$2,173,786	$118,267	$2,292,053	$2,337,768	$45,715	
1995	$1,851,465	$2,166,214	$269,452	$2,435,666	$2,410,794	($24,872)	
1994	$2,098,797	$2,455,592	$246,699	$2,702,291	$2,458,489	($243,802)	
1993	$2,178,762	$2,549,152		$2,549,152	$2,458,489	($90,663)	
1992	$2,055,662	$2,405,125		$2,405,125			
1991							
Const. Grants Positions							
Year	Salary Fringe	Sal/Frg+ operating		Total needed	Revenue	over/under	
	$131,453	$150,000		$150,000	$0*	($150,000)	
			*Funding for three positions was from expired Construction Grants grant.				
			No funds available after this year.				
Permit Fees							
Year	Salary/Fringe	Sal/Frg + 17%		Carry forward	Revenue	over/under	
1997	$3,245,456	$3,797,184		0	$2,100,000	($1,697,184)	
1996	$2,852,822	$3,337,802		$1,451,570	$2,649,751	($688,051)	
1995	$2,749,492	$3,216,906		$1,688,377	$2,921,365	($295,541)	
1994	$2,694,574	$3,152,652		$1,598,177	$2,586,514	($566,138)	
1993	$1,640,974	$1,919,940		$2,320,559	$2,786,205	$866,265	
1992	$1,067,384	$1,248,839		$1,848,102	$2,517,182	$1,268,343	
1991	$1,001,340	$1,171,568			$1,936,782	$765,214	
					Total needed	$2,022,887	
		Funding Shortfalls are based on projected operating cost of 17% of salary and fringe.					

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MAR 25 '97 06:08PM EHNR BUDGET & HNHL P.2/4

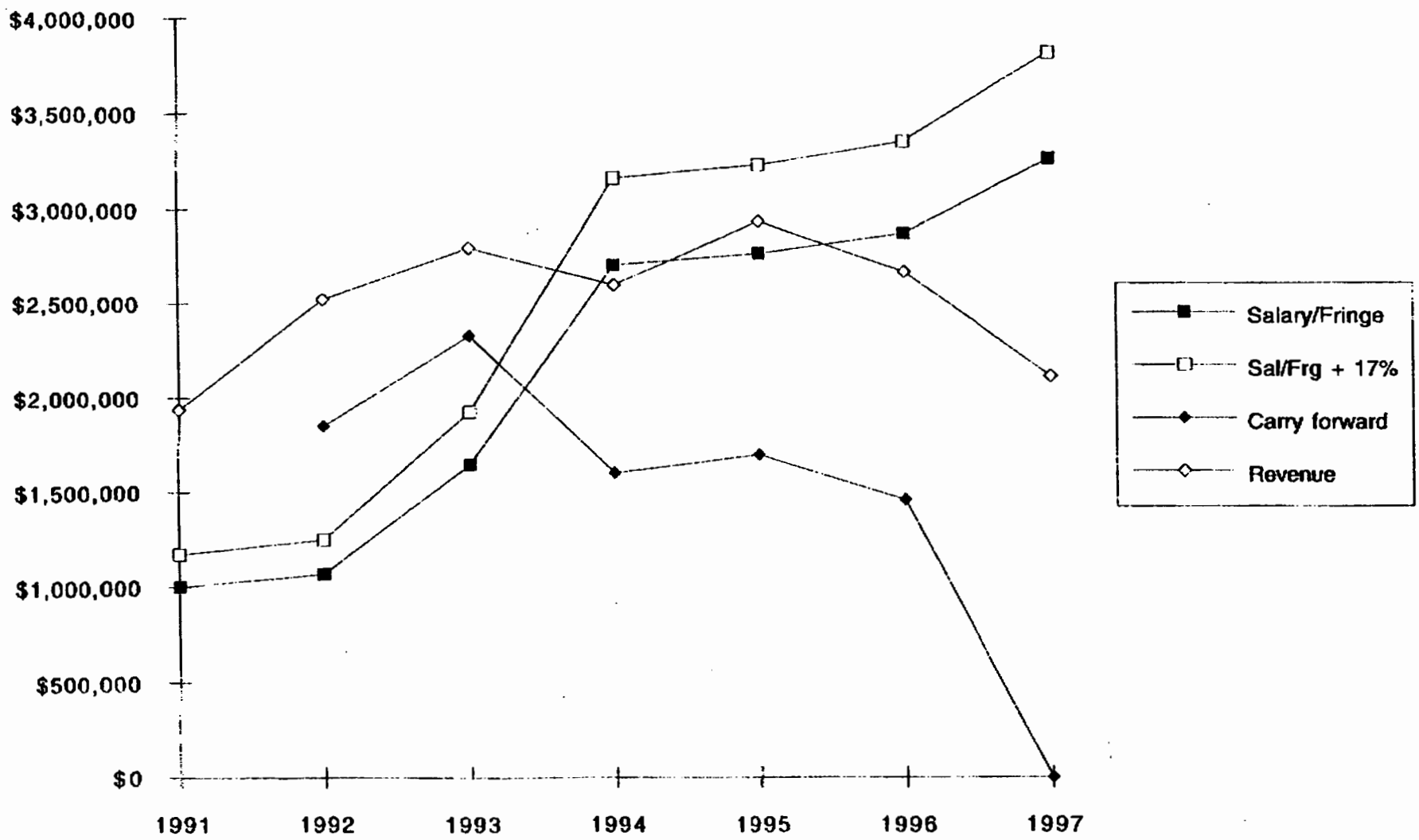
EPA 106 Grant compared to Salary/Fringe and Need



1997 data are estimated from projected salaries.

R-92

Permit Fee Revenue compared to Program Need



1997 values are based on estimates of projected salaries and fees

State of North Carolina
Department of Environment,
Health and Natural Resources
State Center for Health Statistics

James B. Hunt, Jr., Governor
Jonathan B. Howes, Secretary
Delton Atkinson, Director

R-94

DEHNR

M E M O R A N D U M

DATE: March 19, 1997

TO: Jane Q. Smith
Director, BP&A

FROM: Delton Atkinson DA
Director, SCHS

RE: Health Flags and Questions

CC: Dr. Ron Levine, State Health Director

In accordance with the directions contained in Shirley Bullard's e-mail of 19 March 1997, same subject, the following information is provided:

Breakdown of SCHS positions by program with the number of temporary/part-time limited positions vs. full-time permanent positions. (Enclosure 1)

Description of activities by program.(Enclosure 2)

Workload Statistics to better illustrate activities rather than the number of requests for information. (Enclosure 3)

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STATE CENTER FOR HEALTH STATISTICS
PERSONNEL BY MAJOR FUNCTIONS AND FUNDING SOURCE AS OF APRIL 1, 1997

STATISTICAL SERVICES AND ANALYSES

Number of Positions	Funding Source
12 (Full-time)	State Appropriation
10 (Time-limited)	Receipts/Grants/Contracts

CENTRAL CANCER REGISTRY

Number of Positions	Funding Source
14 (Full-time)	State Appropriation
5 (Time-limited)	Receipts/Grants/Contracts

GEOGRAPHIC ANALYSIS

Number of Positions	Funding Source
3 (Full-time)	State Appropriation
0 (Time-limited)	Receipts/Grant/Contracts

LOCAL HEALTH DEPT. MGMT. INFORMATION SECTION & STATISTICAL PROCESSING

Number of Positions	Funding Source
23 (Full-time)	State Appropriation/Contracts
7 (Time-limited)	Receipts/Grants/Contracts

VITAL RECORDS REGISTRATION AND ISSUANCE

Number of Positions	Funding Source
52 (Full time)	State Appropriation
8 (Full time)	Automation (Receipts)

DIRECTOR'S OFFICE

Number of Positions	Funding Source
4 (Full-time)	State Appropriation
1 (Full-time)	(Receipts)

PROGRAM DESCRIPTION

1. Local Health Department Management Information & Statistical Processing

The primary purposes of this section are to provide the overall administrative and technical leadership in the design, development and management of key public health information systems; to provide data processing and statistical computing support to the statistical staff and to the public health divisions of DEHNR; and to design and maintain key hardware and software infrastructure and networks with the SCHS. Among the key information systems maintained by the section are the Health Services Information System, the WIC Certification System, Restaurant Management, and the Immunization Registry. The section is divided into four branches: the Applications Development Branch, the Applications Support Branch, the Information Resources Branch and the Infrastructure Support Branch.

The section:

a. Provides project management services, including system analyses of user requirements and the assessment of these requirements against the functional capabilities of existing systems.

b. Develops the logical data models and the data flow diagrams to prototype new systems or requested modifications.

c. Designs, develops, enhances, and maintains the specialized and highly complex immunization registry system across multiple platforms.

d. Manages the inter-related networks, both the centralized IBM mainframe-based system/network for local health departments, and the client/server network for private physicians and other health providers.

e. Educates the multitude of users (both state and local) about all system changes and how best to use the enhanced system.

f. Analyzes, codes, and debugs key public health information systems, including the integration of those systems with others within and outside of public health.

2. Geographic Analysis Section

The Geographical Analysis Section uses Geographical Information Systems (GIS) computer technology to put health and environmental events in a geographic context in order to better analyze multiple variables and understand the interaction of different

factors, such as disease, population density, economic conditions, and environmental conditions. This section also is developing Desktop GIS applications to help other DEHNR divisions, local health departments and policy makers to use this powerful technology in their own planning.

3. **Vital Records Section**

The Vital Records Section is responsible for registering and maintaining official records of all births, deaths, fetal deaths, marriages and divorces in the state and for providing certified and uncertified copies of vital records and vital records information to individuals and organizations as appropriate. Organized into four major program areas, the Vital Records Section is working to achieve prompt and accurate registration of vital events (births, deaths, marriages, divorces, etc.), effective maintenance of original vital records, effective customer service, and reduced fraudulent use of vital records. Additionally, the section is attempting to implement statewide automation of vital records registration, issuance, preservation and retrieval processes. The section's major program areas are:

Administration and Accounting Program: This program processes all receipts and provides administrative support for all section operations and activities.

Fraud Detection Program: This program cooperates with local, state and federal officials to reduce the fraudulent use of vital records and to identify criminal use of vital records.

Registration, Maintenance and Customer Service Program: This program registers vital records; corrects, amends or replaces certificates when appropriate; prepares copies of vital records for customers; and secures original vital records in proper storage locations.

Field Services Program: This program trains and assists local registration personnel and resolves registration problems throughout the state.

4. **Statistical Services Section**

This section is responsible for the production, analysis, and dissemination of information on the health status, needs and problems of North Carolinians and the impact of services and programs on them. Statistical Services responds to over 6000 requests per year from all segments of North Carolina's population, produces about 10 regular publications, publishes 10 to 12 special research and evaluation studies annually, presents educational and training sessions, provides extensive data analyses and reports for DEHNR divisions and local health departments. Within this section are four branches. They are:

Health Statistics Branch: This branch manages major statistical computer files, answers many data requests requiring special computer runs, links various data files to

produce new analyses, conducts special analyses of the utilization and impact of health services on health status, and provides technical support to both data providers and users. Staff in this branch do many special analyses of the Health Services Information System (HSIS) and Medicaid paid claims data files. The branch is organized into several work teams: vital statistics, maternal and child health surveillance, health policy statistics, and breast and cervical cancer screening data management and reporting.

Health Surveillance Branch: This branch provides training and consultations and helps local health departments carry out a comprehensive biennial Community Diagnosis, assessing each county's health problems and resources. Staff also manage the Healthy People 2000 grant activities, including tracking North Carolina's progress toward meeting the Year 2000 objectives.

Survey Coordination Branch: This branch provides consultation and technical assistance to state and local public health staff on issues related to designing, carrying out, and analyzing data from special sample surveys. Staff also manage survey efforts within the SCHS. A current project putting on a series of teleconferenced presentations about survey design and data analysis, oriented to state and local public health program staff.

Information Services Branch: This branch answers the majority of statistical requests to the SCHS that do not involve special computer runs and coordinates the dissemination of the SCHS's publications. Responsibility for typesetting all SCHS publications and for providing typesetting assistance to other public health divisions also resides within this branch.

5. **Cancer Registry Section**

This section is responsible for the collection, analysis and dissemination of information on cancer diagnoses North Carolina residents. The staff of the Cancer Registry Section works closely with staff members of hospitals and out-patient medical facilities to obtain reports of cancer incidence and treatment. Much of the activity in this section is influenced by the work of researchers from the universities and research institutes in the state, as well as cancer control program staff. The section enjoys a national reputation for its research activities, notably its work involving the evaluation of cancer cluster reports.

The section produces two statistical reports and three newsletters to disperse information to its principal clients. The section is organized in a regional staffing configuration to better meet the needs of private citizens, members of the General Assembly, health department staff, hospital staff, voluntary agencies, DEHNR cancer control program staff, and researchers. In this regard, the section responds to over 2,000 requests for cancer related information each year. The section also evaluates approximately 40 cancer clusters annually, and provides some 60 educational lectures and 15-20 training sessions. The section is organized into four branches. They are:

Field Staff: These staff hold the credential Certified Tumor Registrar (CTR). Their principal role is the training and support of medical staff to provide electronic reporting of cancer incidence and treatment data. These staff also perform extensive evaluation of the timeliness and completeness of cancer reporting as two of the critical characteristics of the National Program of Cancer Registries.

Quality Management: These staff hold the CTR credential. They are the principal trainers for cancer registry professionals in the 45 state hospitals that operate cancer programs following the American College of Surgeons guidelines. They conduct assessments of the quality of data submitted to the Cancer Registry Section, as well as studies of the cancer care within the state.

Data Management: As cancer incidence and treatment data is received, this group edits these data. This is necessary because some patients receive care at more than one facility and this results in duplicate reporting. They prepare the two principal statistical reports from the section, as well as provide statistical support to clients in reporting hospitals, to county health department staff, and to local staff of the American Cancer Society.

Data Analysis: This group serves as the lead section contact for cancer control programs and researchers. These staff perform studies in the cancer database, serve on committees, and give the majority of the educational presentations. Cancer cluster evaluations are also performed by these staff and they are the lead group for the section's linkage for Geographic Information System analyses and innovative statistical methods.

The Cancer Registry Section is also quite active with many programs within DEHNR. These cross-program ties include the Advisory Committee for Cancer Coordination and Control, the Comprehensive Breast and Cervical Cancer Control Program, the Office of Epidemiology, the Super Fund Branch of Solid and Hazardous Waste, and the Section of Occupational and Environmental Epidemiology.

7. **Director's Office**

This entity is responsible for the personnel, budget, travel, procurement, and secretarial functions in support of the SCHS. It provides day to day management and oversight of the SCHS. It is also responsible for the administration of the State's Health Policy Program under a grant from the Robert Wood Johnson Foundation.

Performance Statistics

Some performance measures for the State Center for Health Statistics follow. These measures cover major functions of each section of the State Center. Measures are for state fiscal year 1995-96, unless otherwise stated.

Statistical and other requests answered by the SCHS	6,169
Number of major publications produced	10
Number of special studies completed, FY 96-97	20
Number of geographic information system projects	94
Number of cancer records processed	43,100
Number of cancer-related educational presentations	80
Number of cancer cluster reports responded to	34
Number of HSIS visit records processed	1,774,206
Amount of Medicaid dollars paid through HSIS	$ 63.5 million
Number of telephone consultations for technical assistance for users of the Health Services Information System of county health departments	3,467
Number of Health Services Information System workshops and training sessions	314
Number of copies of vital certificates provided to citizens	75,516
Number of vital certificates processed (births, deaths, marriages, divorces, and fetal deaths)	270,398
Number of data entry keystrokes	71,702,932
Total number of local health department services captured (one visit record contains 1 or more services)	4.0 million

State of North Carolina
Department of Environment,
Health and Natural Resources
Division of Maternal and Child Health

James B. Hunt, Jr., Governor
Jonathan B. Howes, Secretary
Ann F. Wolfe, M.D., M.P.H., Director

R-102

March 20, 1997

MEMORANDUM

TO: Mona Moon, Fiscal Agent
Division of Fiscal Research

THROUGH: Jane Smith, Director
Division of Budget Planning and Analysis

FROM: Kevin Ryan, MD, MPH
Chief, Women's Health Section

SUBJECT: **Information Request Concerning 1996 Reduction in Non-Medicaid Maternity Care Coordination Grant Funding**

Description of Program: Maternity Care Coordination (MCC) is an "enhancement" of traditional prenatal care which aims to ensure that all needs that could affect a pregnant woman's health, whether medical, social, educational or family support, are met. The funding in this program supports the provision of MCC to pregnant and postpartum women ineligible for Medicaid (primarily persons whose family income is greater than 185% of poverty, incarcerated women and undocumented women). MCC remains available to all Medicaid-enrolled women.

Rationale for Reduction: Some agencies that received state funding for MCC were much more efficient providers of this service than others. Although the funding cut approved by the General Assembly reduced funding in the program by 68%, the three projects which retained funding (albeit reduced) served 72% of all the women who received services through this program.

In addition, this reduction in funding was proposed at the same time that the Division of Maternal and Child Health implemented a plan to give local health departments greater flexibility (through its block grant process) in utilizing Medicaid receipts and federal funds. It was felt that if local agencies determined that provision of MCC services to women ineligible for Medicaid was a high priority item, they would have the flexibility to budget funds to support this activity, and, in fact, in many instances this did occur. Preliminary data indicate that the agencies which received grant funding in FY 1995-96 provided MCC services to more women ineligible for Medicaid in 1996 than they did in 1995.

R-103

Agencies Receiving Funding Prior to Reduction, Funding Level, Numbers Served: see attached table.

Agencies Currently Receiving Funding Prior to Reduction, Funding Level, Numbers Served: see attached table.

Impact of the Reduction: To date there has been no reduction in service levels since local agencies have reallocated state or local funds from other program areas.

JS/KR:tlb

Attachment

NON-MEDICAID MATERNITY CARE COORDINATION

RECIPIENTS	FY 96 GRANT	Number Served CY 95 (initial)	FY 97 Grant	Number Served CY 96 (initial) *
Chatham County Health Department	$7,500	43	0	62
Cleveland County Health Department	$30,000	20	0	42
Forsyth County Health Department	$24,000	76	0	309
Hertford-Gates District Health Department	$ 4,000	9	0	8
Montgomery County Health Department	$12,000	41	0	55
Orange-Chatham Comprehensive Health Services	$15,000	83	0	N/A
Pitt County Health Department	$30,000	285	$22,600	135
Richmond County Health Department	$30,000	49	0	54
Tri-County Community Health Center	$30,000	245	$22,600	N/A
Wake County Health Department	$45,000	445	$33,900	437
Wilkes County Health Department	$15,000	38	0	37
Toe River District Health Department	$ 7,500	12	0	25
TOTAL FUNDING	$250,000	N/A	$79,100	N/A

*: Grant funding reduced or eliminated for last six months of CY 1996.

R-104

R-105

March 20, 1997

To: Jane Smith, Director
DEHNR Budget, Planning and Analysis

THROUGH: Ronald H. Levine, MD, MPH
State Health Director

FROM: Lou F. Turner, DrPH, Director
State Laboratory of Public Health

SUBJECT: Response to NER flags on Health Divisions: STATE LABORATORY

Listed below are some of the reasons for justifying the increases in the supply budget for the State Laboratory. If you need more specific information, please contact me at (919) 733-7834.

INFLATION:
Inflation alone accounts for at least a ten percent increase each year based on historical data. The other indicators noted are in addition to general inflation costs.

GENERAL:
- Six percent tax added to all purchases
- Shipping costs from vendors
- Handling fees from some vendors
- Increased prices for: reagents, stains, chemicals, paper, mailing containers, general supplies - tubes, gloves, pipettes, pipette tips, etc. (this can be a very extensive list). We use over 400 different vendors.
- State Contracts - some vendors may be added or substituted on contract list. These vendors sometimes have higher prices than previously used vendors.

FEDERAL MANDATES:
Since the mid-1980's, a number of federal regulations have been implemented which have impacted the Laboratory's daily operation and added dramatically to the cost of performing tests. Listed are the major regulations and some of the resulting impacts.

- Clinical Laboratory Improvement Amendments of 1988 (CLIA): this regulation deals with the implementation of enhanced quality assurance activities within clinical laboratories. Increased costs can be attributed to running more quality control samples, enhanced record keeping, increased quality checks of equipment and instrumentation, costs for proficiency testing materials, and costs for competency training of our employees, etc. We also assist 48 Local Health Departments in meeting these requirements and incur those costs.

- Occupational Exposure to Bloodborne Pathogens/Universal Precautions: this regulation indicates that employers must reduce, by specified requirements, an employee's exposure to bloodborne pathogens from bodily fluids. Since the majority of our specimens fit this category, some of the items we must provide include: personal protective "equipment" such as masks, gloves, coats, gowns; Hepatitis B vaccine to employees at risk; expensive pipetting devices; proper level of biological safety cabinets; special containers for disposal of waste; special warning labels; and routine safety training. One hundred of the 183 employees are classified as "at risk" under this regulation..

FEDERAL MANDATES (continued):

- Hazard Communication Standard/Chemical Hygiene Plan: this regulation specifies that employers must define a plan which minimizes personnel and environmental exposures to hazardous chemicals in the laboratory. This includes providing training, personal protective equipment, chemical spill kits, warning labels, hazardous waste disposal containers and removal, etc.

Recently the US Postal Service had regulations passed regarding the shipment of dried blood spots for Newborn Screening tests. The new law will require laboratories to provide an impervious, waterproof container for specimens being sent via US Postal service. The most reasonable solution proposed is for laboratories to provide Tyvek envelopes for their users (hospitals and physicians) to ensure uniform compliance. This regulation goes into effect this summer. This cost will be approximately $10-12,000 per year for our current workload. These are considered specimen shipping containers (supplies).

WORKLOAD INCREASES:

- Continued growth in testing volumes (examples: rabies, syphilis, HIV, Pap smears, TB, environmental lead)

- Unpredictable increases due to outbreaks (examples: rabies, rubella, foodborne or daycare outbreaks of shigella or E. coli, pertussis)

- Additions of new tests (example: blood lead, expansion to universal sickle cell screening)

- Changes in the marketplace (examples: increased testing of wells near intensive livestock operations, early discharge of newborns resulting in repeat testing)

TECHNOLOGY CHANGES:

In order to provide the best services to our clients, it is imperative that we consider newer technologies. Using new technologies usually means we can automate some of our tests which improves our service by providing quicker turn-around time for results, better test results and the ability to process more specimens with current workforce. Automation often requires the use of proprietary equipment and reagents which may be more expensive to use. Examples include: new test for coliform detection in water samples, use of molecular biology technology for infectious disease detection, newer procedure for enhanced isolation of mycobacteria (TB), and newer technology to identify all mycobacteria (including TB).

State of North Carolina
Department of Environment,
Health and Natural Resources
Division of Forest Resources

James B. Hunt, Jr., Governor
Jonathan B. Howes, Secretary
Stanford M. Adams, Director

R-108

March 20, 1997

MEMORANDUM

TO: Jane Smith

FROM: Stan Adams

SUBJECT: Privatization of Services

This is in response to the request of Fiscal Research for the Division of Forest Resources to "Research other states to see if they have privatized any forestry functions, and if so how the program works."

In the interest of time, we canvassed as many Southern States as possible and received the following information.

Mississippi, South Carolina, Kentucky, Florida, Alabama, and Louisiana

No privatization underway

Georgia

- Georgia Forestry Commission has experimented with privatizing their Air Detection Program in the Northern half of the state (traditionally least fire problem). They did not attempt to privatize the entire state at one time in the event that the venture would be unsuccessful. This experiment began approximately eight months ago; to date, the fire situation has not been very severe so the project has not been tested under stress conditions.

- Two years ago, the Governor of Georgia established a group of private business people to evaluate the privatization of the states forest seedling nursery. After detailed study, the group unanimously recommended that the state needs to stay in the forest seedling production business.

- Their Auto Mechanic Shop at state headquarters has been privatized since April, 1996 and appears to be working well, but with an increase in costs. In North Carolina the State Central Office relies totally on Motor Fleet Management vehicles and their maintenance.

Virginia

- Virginia has not privatized total programs, but contract many forestry services and administrative functions, as does North Carolina (detailed further in this memo).

Arkansas

- Some time ago, Arkansas privatized their entire Aviation Program. According to the State Forester, it was a dreadful mistake and a dismal failure from the beginning. Privatization meant little or no aerial detection for fires and Southern Pine Beetle infestations. Fires went completely undetected with significant acreage burning as a result. SPB infestations grew in size before being detected as a result of no aerial detection. Additionally, contracting aerial detection was extremely expensive; but, more importantly, contract aircraft for state use was hard to get because other outside uses were more lucrative for vendors. Public outcry demanded change . The General Assembly, now in session in Arkansas, has authorized the State Forester to begin hiring pilots and purchasing aircraft. They are starting over at a tremendous cost.

- Arkansas privatizes the growing of pine seedlings. Worked ok for them for a couple of years. They received only two bidders and now one will not bid again, as Weyerhaeuser is only growing seedlings for their own use. International Paper Company is left as sole source. The State Forester is concerned with only one bidder, as well as, feels that International has a limit to what they can grow. Arkansas feels that they will pretty soon be back to growing pine seedlings.

North Carolina

North Carolina does not privatize full programs with which we are charged in carrying out our mandates and mission "to develop, protect, and manage the multiple resources of North Carolina's forests." However, there are some forestry services the state does not provide because they are handled by private consulting foresters.

Also, in an effort to be as efficient and effective as possible, we do contract out many services that can and should be done by the private sector. Many are listed below and are categorized as Forestry and Other Services:

<u>Forestry Services</u>

- Consulting Foresters
  - Cruise Timber
  - Timber Marking
  - Timber Sales
  - Stewardship Plans

- Tree Planting
- Herbicide Application
- Site Preparation and Related Fire Breaks
- Prescribed Burning
- Timber Stand Improvement
- Issue Burning Permits
- VFD Training - Community College System
- Maintenance of Civilian/FAA Certified A/C
- Packing of Seedlings at Goldsboro Forestry Seedling Nursery
- Contract Pine Straw Raking at Bladen Lakes State Forest
- Contract Tree Planting at BLSF
- Construction and Renovation

- Hurricane Recovery
  - Fire Breaks
  - Administration of Recovery Field Work
  - Public Education Campaign

Other Services

- Installation of Communication Equipment
- Installation of Wide Area Network
- Computer Training
- Janitorial Services
- Bulk Mailing
- Large Air Tankers (We do not contract large air tankers at present , but did until budget cuts forced us to stop.)

Additional Comments

The U.S. Air Force at the Dare County Bomb Range entered into a contractual fire suppression and presuppression agreement with the North Carolina Division of Forest Resources over 30 years ago to protect their 46,000 acre area. Several times since then they have attempted to solicit private bids for this same service. Each time they have determined that there is no feasible way for a private vendor to provide wildfire protection as effectively and efficiently as the state of North Carolina does.

The only total privatization of a government forestry program occurred approximately 10 years ago in New Zealand. After 6 years it was recognized that this did not work and a new government forestry agency was reestablished to again provide the services needed.

R-111

DIVISION OF PARKS AND RECREATION

March 20, 1997

MEMORANDUM:

TO: Jane Smith, Director
Division of Budget, Planning, and Analysis

FROM: Phil McKnelly

SUBJECT: NER Questions and Flagged Items - State Parks

REFERENCE: Provide update on cleanup and repair schedule throughout budget review. Might be helpful to provide committee with list of parks affected and specific problems as well as estimate of damage cleanup and repair costs. Should be prepared to provide subsequent updates over next couple of months.

Disaster Survey Reports (DSR's) for facility repair and replacement projects have now been completed by the Federal Emergency Management Administration (FEMA), the Division of Emergency Management (DEM), and the Division of Parks and Recreation (DPR) for most parks. These reports include the scope of work to be accomplished and the estimated cost for each project. Many DSR's, however, are in "suspension" with FEMA and DEM pending insurance settlements. DSR's for Hammocks Beach, Goose Creek, Fort Fisher, Morrow Mountain, and Lumber River are currently being reviewed by DEM.

FEMA will cover 90% of the repair or replacement costs once those costs have been determined. The State will be responsible for the remainder of the funds. The Office of State Budget and Management (OSBM) has reserved $1,000,000 to match the DPR's share of the cost.

To date 218 DSR's have been prepared. DPR and FEMA are a considerable distance apart in the cost estimates in these DSR's. The total cost estimates included in the FEMA documents is $2,145,109; of this amount $1,865,859 is eligible for reimbursement by FEMA. The division estimates the total cost to be $8,763,638. To date DPR has received $273,351 from FEMA. FEMA, DEM, and DPR staff are currently reviewing the DSR's in an effort to reach agreement on the cost of repairs to be completed in the parks.

The areas of greatest disagreement include replacement of the bathhouse at Hammocks Beach and shoreline erosion at Kerr Lake. At Hammocks Beach the bathhouse on Bear Island was located behind the primary dune until Hurricane Fran destroyed that dune and seriously damaged the bathhouse. FEMA estimates cover the cost of repairing the damaged bathhouse in its current location, while DPR estimates reflect the need to relocate a new bathhouse behind the next dune to provide a degree of protection from future storms. The shoreline at Kerr Lake has

experienced erosion for years due to the changing lake elevations required to provide flood control for areas downstream from the reservoir. Hurricane Fran caused significant additional damage to the shoreline of Kerr Lake. DPR has proposed that the FEMA provision for mitigation of future damage be use to stabilize the shoreline at Kerr Lake, while FEMA has denied that request.

Debris removal is scheduled to begin on Monday, March 24, 1997 in the following parks:

Cliffs of the Neuse	Lumber River
Falls Lake	Morrow Mountain
Jordan Lake	Raven Rock
Kerr Lake	William B. Umstead.

These projects should be completed within thirty days from the starting date.

If you have any questions or need additional information, please let me know.

State of North Carolina
Department of Environment,
Health and Natural Resources
Division of Budget, Planning & Analysis

James B. Hunt, Jr., Governor
Jonathan B. Howes, Secretary
Jane Q. Smith, Director

12-113

March 17, 1997

TO: Mona Moon
Fiscal Analyst

FROM: Jane Smith

RE: Information from Division of Soil and Water

Attached is information provided by the Division of Soil and Water in response to questions from the Committee during its discussions of the Division's budget. Please contact me if additional information is required.

JQS/

Attachment

cc: Henry Lancaster
Richard Rogers
J.W. Reel

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R-114

NORTH CAROLINA AGRICULTURE COST SHARE PROGRAM
SOIL AND WATER CONSERVATION DISTRICTS

BMP LOG SUMMARY REPORT - As of 03/03/97

Number of Agreements	23,474	
Acres Affected	1,301,203	
Acres - Erosion Control	427,756	
Tons of Soil Saved	4,045,455	

EROSION/NUTRIENT CONTROL BMP'S	ACRES	
Sod-Based Rotation	41,927	
Cropland Conversion	74,768	
Conservation Tillage	320,016	
Critical Area Planting	1,906	
Stripcropping	21,154	
Terraces/Diversions	4,164,104	(Ft.)
Long Term NoTill	3,197	

ANIMAL WASTE MANAGEMENT		
Structures	1,210	(#)
Storage Capacity	1,034,025,231	(Gallons)
	65,808	(Tons)
Storage Capacity - Nitrogen	39,152,787	(Lb.)
Phosphorus	23,116,778	(Lb.)
Aquaculture Systems	3	(#)
Composters	369	(#)
Loafing Lot	3	(#)
Abandoned CAO	29	(#)
Solid Set Systems	236	(#)
Hydrants	184	(#)
Mobile Irrigation Systems	116	(#)
Waste Application - Liquid	957,229,348	(Gallons)
Litter Application - Poultry	863,252	(Tons)
Acres Applied	223,457	
Nitrogen Applied	48,097,427	(Lb.)
Phosphorus	49,091,221	(Lb.)

SEDIMENT/NUTRIENT CONTROL BMP's		
Grassed Waterways	5,828	
Field Borders and Filter Strips	6,097	
Water Control Structures	2,964	(#)
Grade Stabilization Structures	626	(#)
Sediment Basins	10	(#)
Stream Protection Systems	5,544	(#)
Livestock Exclusion	2,997,070	(Ft.)

OTHER		
Retrofits	75	(#)
Agri-Chemical Handling Facilities	60	(#)
Stormwater Management Systems	68	(#)
Nutrient Management	16,142	(Acres)

ALLOCATION PROCESS
NORTH CAROLINA AGRICULTURAL COST SHARE FUNDS

- Funds are allocated by the Division of Soil and Water Conservation to the local Soil and Water Conservation Districts in the state.

- Funds are allocated on an annual basis to the Districts.

- Each Soil and Water Conservation District submits an annual strategy plan (see attachment 1) including a Parameter Form (see attachment 2) which details the priorities and needs in the District for the coming year. Strategy plans are due by July 1 to the Division office in Raleigh.

- The 10 Cost Share parameters (see attachment 3) which guide the allocation process were adopted by the North Carolina Soil and Water Conservation Commission. Parameters 1-4 indicate the level of agricultural activity within the District and the District's priorities. Parameters 5-7 recognize areas of state and federal concern. Parameter 8 measures technical assistance availability within the District. Parameters 9 and 10 measure the successful application of the program in the past within the District.

- Information from the strategy plan including the Parameter Form is used to assign each District a series of ranking points. The total of these ranking points determines what percentage of the cost share funds available for the upcoming program year each District is entitled to receive.

- Special funds such as Animal Waste, Small Family Farm and Neuse Basin are allocated in the much the same manner with any additional restrictions applied which govern the particular fund. (i.e. Neuse Basin funds are allocated only to Districts in the Neuse River Basin and must be used by the Districts only for .0200 animal operations located in the Neuse Basin.)

R-116

PROPOSED STRATEGY PLAN OUTLINE

(Effective Beginning Program Year 1998)

Each Soil and Water Conservation District prepares an Annual Strategy Plan for submission to the Division by July 1.

Each Strategy Plan should follow the recommended format listed below.

1. Description of over-all agricultural activities (examples: Fran repairs, 0200 operations, non-0200 operations, etc.)

2. Description of written prioritization process. Include any District forms developed to facilitate prioritization.

3. The completed Parameters Form (NC-ACSP-A98) for type of funds applicable to the District (regular cost share, legislated animal waste or specific basin funds). The District should include an explanation of any changes they are requesting to the Parameter data provided to the District by the Division. Most of the data the District is asked to provide will require an inventory of agricultural needs based on cost share eligibility.

4. Narrative of cost share funding request.

5. Narrative of technical assistance budget request.

(NCACSP-A98)
02/97

R-117

North Carolina Agriculture Cost Share Program
Parameter Data For Allocation Process For Regular Cost Share BMP Funds

District: _____ Program Year: _____

Fund Source(s): _____ Dollars Requesting: _____

_____ _____

_____ _____

Parameters:

		DIVISION	DISTRICT
I.	Number of acres of agricultural land located in District (includes cropland, hayland and pastureland, but does not include nurseryland, fruit orchards or Christmas tree acres)	_____	_____
	If applicable indicate number of acres of nurseryland, fruit orchards and/or Christmas tree acres		_____
II.	Number of acres of cultivated cropland located in District (does not include nurseryland, fruit orchards or Christmas tree acres)	_____	_____

III. Number of ***cost share eligible***, confined animal operations which have animal waste system needs (type and number of animals) located in the District. Data supplied by the District.

Type animal	Total # CAOs	Number Animals	Number .0200 CAOs	Number Animals
Dairy/Beef	____	_____	_____	_____
Swine	____	_____	_____	_____
Poultry	____	_____	_____	_____
Other	____	_____	_____	_____

R-118

IV. Number of ***cost share eligible*** stream protection systems needed in District _____

	DIVISION	DISTRICT
V. Number ***cost share eligible*** acres in District needing water control structures		_____

VI. Number of miles of less than fully supporting surface water located in District _____

Percentage of total District acres classified as ag land — Division Computation

VII. Number of ag acres in District which drain into PNA, ORW, HQW, Trout, Shellfishing and Critical Water Supply watersheds — Division Computation

VIII. Technical Assistance: measure of available technical assistance to plan and install BMPs

District Projection of Availibility (By positions)	District Percentage
Cost Share Tech	_____
NRCS Soil Conservationist	_____
NRCS Engineer	_____
Division Engineer	_____
NRCS District Conservationist	_____
Other	_____

District average availibility by NRCS Area — Division Computation

IX. Measure of District success in completing installation of cost shared BMPs: — Division Source

X. Measure of technical assistance needs to complete BMPs already encumbered in past years CPOs — Division Source

Perpared by: _____

Completed form must be received by the Division no later than July 1.

Agriculture Cost Share Program
Division of Soil and Water Conservation
Post Office Box 27687
Raleigh, North Carolina 27611-7687

Allocation Parameters for PY 98

1. Number of acres of agricultural land in the District (includes cropland, hayland, and pasture land). Source: current Ag Stats.

2. Number of acres of cultivated cropland in the District. Source: current Ag Stats.

3. Number of confined animal operations and number of animals by type that are Cost Share eligible in the District. Source: District

4. Number of stream protection systems needed by agricultural operations that are Cost Share eligible. Source: District

5. Number of Cost Share eligible acres needing water control structures in the District. Source: District

6. Number of miles of total surface water identified as less than fully supporting due to agricultural nonpoint source pollution. Source: DWQ and District

7. Percentage of county draining to PNA, ORW, HQW, Trout, Shellfishing and Critical Water Supply watersheds. Source: DWQ.

8. Technical Assistance: a measure of how much technical assistance is available to plan and install BMPs based on historical averages and District projection. Source: District and NCACSP database

9. Three year average of BMP Cost Share funds paid out. Source: NCACSP database

10. Cumulative BMP Cost Share funds outstanding: measure of technical assistance needed to complete existing contracts. Source: NCACSP database

File 97-99 Budg

R-120

State of North Carolina
Department of Environment,
Health and Natural Resources
Division of Radiation Protection

James B. Hunt, Jr., Governor
Jonathan B. Howes, Secretary
Dayne H. Brown, Director

DEHNR

M E M O R A N D U M

TO: Jane Smith

FROM: Mel Fry

SUBJECT: Fiscal Research Information

DATE: March 19, 1997

1. Who pays what fees into DRP; and do the fees pay the inspection costs?

Attached is the schedule of fees as adopted by DEHNR and charged to the categories of registrants and licensees as shown.

The total Radioactive Material Program costs for 1995-96 were $420,015. That total includes the total costs associated with license application review, license issuance, inspection, enforcement, incident response and other radioactive material licensing activities. 45% of that total program is estimated to be related to inspection and enforcement. ($420,015 x 45% = $189,007) The radioactive material licensees paid $167,010 in fees, covering 88% of the actual inspection and enforcement costs of this program. The remainder of the total costs of this program are paid with General Fund money.

The total X-Ray Program costs for 1995-96 were $587,196. That total includes all of the registration, investigation, inspection, enforcement and related work in the x-ray program. 85% of that total x-ray program cost is estimated to be related to inspection and enforcement. ($587,196 x 85% = 499,117) The x-ray registrants paid $501,031 in fees, covering 100% of the actual inspection and enforcement costs of this program. The remainder of the total costs of this program are paid with General Fund money.

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(e) Each licensee or registrant shall pay all fees by check or money order made payable to "Division of Radiation Protection" and mail such payment to: Division of Radiation Protection, North Carolina Department of Environment, Health, and Natural Resources, P. O. Box 27687, Raleigh, North Carolina 27611-7687. Such payment may be delivered to the agency at its office located at 3825 Barrett Drive, Raleigh, North Carolina 27609-7221.

History Note: Statutory Authority G.S. 104E-9(8); 104E-19(a); Eff. July 1, 1982; Amended Eff. May 1, 1993; May 1, 1992; July 1, 1989.

.1103 NOTICES OF PAYMENT DUE

Within five days after the due dates established in Paragraphs (a) and (b) of Rule .1102 of this Section, the agency shall mail to each licensee and registrant, who has not already submitted payment, a notice which indicates the due date, delinquent date and the amount of fees due.

History Note: Statutory Authority G.S. 104E-9(8); 104E-19(a); Eff. July 1, 1982; Amended Eff. May 1, 1993.

.1104 DELINQUENT AND UNCOLLECTIBLE FEES

(a) Payment of fees established in this Section shall be delinquent, if not received by the agency within 60 days after the due date specified in Paragraphs (a) and (b) of Rule .1102 of this Section.

(b) If a licensee or registrant remits a fee in the form of a check or other instrument which is uncollectible from the paying institution, the agency shall notify the licensee or registrant by certified mail and allow the licensee or registrant 15 days to correct the matter.

(c) If payment of fees is uncollectible from the paying institution or not submitted to the agency by the delinquent date, the agency may institute appropriate legal action to collect.

History Note: Statutory Authority G.S. 104E-9(8); 104E-19(a); Eff. July 1, 1982; Amended Eff. May 1, 1993.

.1105 FEE AMOUNTS

(a) Annual fees for persons registered pursuant to provisions of Section .0200 of this Chapter are as listed in the following table:

Type of registered facility	Letters appearing in registration number	Facility plus first X-ray tube	Each additional X-ray Tube to a maximum of 40 additional X-ray tubes

Clinics	A	$ 70.00	$ 12.50
Chiropractors	C	$ 70.00	$ 12.50
Dentists	D	$ 70.00	$ 12.50
Educational	E	$ 50.00	$ 10.00
Government	G	$ 50.00	$ 10.00
Podiatrists	H	$ 70.00	$ 12.50
Industrial	I	$ 70.00	$ 12.50
Industrial Medical	IM	$100.00	$ 17.50
Health Departments	L	$100.00	$ 17.50
Hospitals	M	$150.00	$ 22.50
Physicians	P	$ 70.00	$ 12.50
Industrial Radiography	R	$150.00	$ 22.50
Services	S	$100.00	$ 0.00
Veterinarians	V	$ 50.00	$ 10.00
Other	Z	$ 70.00	$ 12.50

(b) Annual fees for persons licensed pursuant to provisions of Section .0300 of this Chapter are as listed in the following table:

Type of Radioactive Material License	Annual Fee
Specific license of broad scope	
-medical or academic	$ 925.00
-other	$ 325.00
Specific license	
-industrial radiography (with temporary subsites)	$1,175.00
-industrial radiography (in plant only)	$ 600.00
-manufacture or distribution	$ 325.00
-medical institution other than teletherapy	$ 275.00
-medical private practice	$ 200.00
-medical teletherapy with one teletherapy unit and	$ 225.00
-each additional teletherapy unit	$ 50.00
-industrial gauges	$ 175.00
-moisture-density gauges	$ 75.00
-gas chromatographs	$ 75.00
-educational institutions	$ 275.00
-services/consultants	$ 75.00
-other	$ 125.00
General licenses	
-industrial gauges	$ 75.00
-IN VITRO testing and others	$ 75.00

(c) Annual fees for persons licensed pursuant to provisions of Section .0900 of this Chapter are as listed in the following table:

Description of Fee	Annual Fee
Facility with one accelerator	$225.00

2. How much radioactivity is proposed to be disposed of in the Low-Level Radioactive Waste Disposal Facility; and what does that amount compare to in understandable terms?

In the radioactive material license application filed by Chem Nuclear Systems, Inc., the applicant proposed to dispose of 713,000 curies of radioactivity; primarily cobalt-60 (308,000 Ci), nickel-63 (109,000 Ci) and iron-55 (101,000 Ci); with slightly lesser amounts of hydrogen-3 [tritium] (64,100 Ci), cesium-137 (50,600 Ci) and barium-137m (47,800 Ci); and a wide variety of other radioisotopes in smaller quantities. This amount of radioactivity contained in the waste is estimated base on the amount of waste generated in the eight states then in the Southeast Compact over the projected 20 year life of the proposed facility. Of the total amount of radioactivity contained in the waste, approximately 20% is estimated to be generated by licensees in North Carolina.

For comparison, there are typically 2,000,000 curies of cobalt-60 in a single product sterilization facility (three of which are located in North Carolina) where various products are irradiated to sterilize the products placed into the radiation field. There are approximately 2,500 curies of cobalt-60 in a cancer treatment teletherapy unit used to treat cancer patients to destroy cancerous tumor cells. Self luminous exit signs each typically contain 20 curies of tritium; whereas, a self luminous wrist watch might contain 0.2 curies of tritium.

In contrast, while not allowed to be disposed of in this facility, one spent nuclear fuel element, out of approximately 150 such elements in a typical reactor, might contain as many as 285,000 curies of mixed fission products as high-level radioactive waste. Such a fuel element and all such high-level radioactive waste must be disposed of in a yet to be selected, designed and constructed Federal high-level radioactive waste disposal facility.

While the amount of radioactivity discussed above will be placed within the disposal facility, the waste buried in the proposed facility must be shielded and contained so that anyone living at the boundary of the facility cannot be exposed to any more than 25 millirem in any one year coming from the facility. This regulatory limit is not quite a 10% increase over the natural background radiation level of 300 millirem per year at the edge of the facility.

I hope this is a clearer explanation of the issues raised. Please let me know if any further clarification or additional information is needed.

cc: Linda Rimer
Sherrill Harris
Richard Whisnant

Coastal Management

1. Provide more information about federal receipts and matching requirements.

Division of Coastal Management (DCM) receives two recurring federal grants from NOAA-- one for the core operation of the NC Coastal Management Program and one for operation and maintenance of the NC National Estuarine Research Reserve. In recent years, DCM has been successful in being awarded a number of other federal grants from various sources to help develop program improvements. The following is a breakdown of federal grants for FY 96-97.

Current Federal Grant Awards and the required State Matching Requirement for drawing these funds:

Grant Number	Grant Source	Grant Total	Federal Requirement	Federal %	State Requirement	State %
NA67OZ0315	CZMA/NOAA	3,874,000	2,097,000	54%	1,777,000	46%
NA57OZ0498	CZMA/NOAA	1,484,273	868,364	59%	615,909	41%
NA47OR0274	NERR/NOAA	178,571	125,000	70%	53,571	30%
NA67OR0348	NERR/NOAA	24,923	24,923	100%	0	0%
NA57OR0403	NERR/NOAA	13,205	8,919	68%	4,286	32%
X994548-94-0	EPA	36,418	36,418	100%	0	0%
NA570Z0485	NOAA	327,360	327,360	100%	0	0%
NA57OR0402	NOAA	14,286	10,000	70%	4,286	30%
CD994678-95-0	EPA	171,489	126,000	73%	45,489	27%
NA47OZ0277	NOAA	476,152	476,152	100%	0	0%
EMW-96-CA-0085	FEMA	120,000	120,000	100%	0	0%
		6,720,677	4,220,136	63%	2,500,541	37%

2. Explain jump in statistic on handout page EHNR 158 from 4,000 to 13,808 for performance measure relating to number of persons participating in organized educational experiences at coastal reserves.

The reason for the jump was that the number included people visiting Coastal Reserve booth at the Seafood Festival in Beaufort. In retrospect, DCM has decided not to include those people even thought most of the visitors do receive educational information about the program and its mission. The figure for FY 95-96 should be changed to 4,808.

3. Provide list of universities with whom the division works.

DCM currently has contracts with University of North Carolina at Wilmington, North Carolina State University and East Carolina University. In the past, DCM has also worked on a number of projects with Univ. of North Carolina Chapel Hill and Duke University.

State of North Carolina
Department of Environment,
Health and Natural Resources
Division of Water Resources

James B. Hunt, Jr., Governor
Jonathan B. Howes, Secretary
John N. Morris, Director

R-126

DEHNR

March 19, 1997



MEMORANDUM

TO: Jane Smith

FROM: John Morris John Morris

SUBJECT: Information Requested by the General Assembly

Mona Moon requested information on two items related to the Division of Water Resources.

1) ***Fees*** - The Division of Water Resources receives a $50 fee for registrations of surface or ground water withdrawals exceeding 1 mgd. Fees received from this requirement totaled about $3,000 over a period of 2 years after the registration statute was enacted. The fees were used toward setting up a storage and retrieval system for the water use registration data, which is valuable for water supply and water management planning. Because registration is a one time requirement and large new water withdrawals do not come on line frequently, this program will not be a significant continuing source of receipts for the Division.

2) ***Jordan Lake Water Supply Allocation*** - The questions asked about water supply allocation at Jordan Lake are answered in the attached fact sheet and report.

JM/td

Attachment

cc: Linda Rimer

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State of North Carolina
Department of Environment,
Health and Natural Resources
Division of Water Resources

James B. Hunt, Jr., Governor
Jonathan B. Howes, Secretary
John N. Morris, Director

DEHNR

R-127

March 19, 1997

Status of Jordan Lake Water Supply Storage Allocations

A copy of the report *Jordan Lake Water Supply Storage Allocation Recommendations* has been attached to this information summary. The report provides the details on both the existing and proposed future water supply allocations from Jordan Lake.

- Table I on page i and Table 1 on page 5 provide information on the existing allocations.
- Table I on page i and Table 2 on page 10 provide information on the recommended allocations.
- Figure 1 on page 2 is a summary of the allocation and interbasin transfer certification process.

Jordan Lake is designed to provide 100 million gallons per day (MGD) for water supply. DWR's recommendations for allocation total only 42.5 MGD. No adverse effects are anticipated from this amount of withdrawals.

The allocations involving interbasin transfer of 2 MGD or more will be carefully evaluated under G.S. §143-215.22G *Regulation of Surface Water Transfers*, including modeling of the hydrologic effects, preparation of an Environmental Impact Statement, and a public hearing. Figure 1 on page 2 outlines this evaluation process.

For additional information, contact either John Morris at 715-5422 or Tom Fransen at 715-0381.

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EXECUTIVE SUMMARY

R-128

The State of North Carolina has been assigned the use of the entire water supply storage in B. Everett Jordan Lake and, under G.S. 143-354(a)(11), can assign this storage to any local government having a need for water supply storage. Administrative rule T15A: 02G .0500 describes the specific procedures to be used in allocating the Jordan Lake water supply storage. The two main criteria for Jordan Lake water supply allocations are future water needs and availability of alternative water supplies. Also, the administrative rule requires the Environmental Management Commission to coordinate the review of any allocation requests with the certification of any interbasin transfers that maybe required.

The Division of Water Resources received a request to open the allocation process from the Towns of Apex and Cary in May 1996, for an increase in their existing water supply storage allocation in Jordan Lake. This is the first time since the initial allocation in 1988 that the allocation process has been opened. When such requests are received, it is Division policy to open the allocation process to anyone interested in either obtaining a new allocation or an increase in an existing allocation.

When the initial allocations of water supply from Jordan Lake were made in 1988, 42 percent of the water supply pool was allocated; however, some original allocation holders have since released their allocations. Currently, 33 million gallons per day (MGD) of the 100 MGD water supply pool is allocated as shown in Table I. Note that allocations are actually a percentage of the water supply pool and not a rate of withdrawal. However, for convenience in this report allocations will be expressed in MGD, since 100 percent of water supply storage has an estimated safe yield of 100 MGD.

Table I. Water Supply Allocation Recommendations

Applicant	Current Allocations (MGD)		Applicant Requests (MGD)		Division of Water Resources Recommendation (MGD)	
	Level I	Level II	System Request	Total[1]	Recommendation	Total[1]
Chatham County	4.0	2.0	7.0	13.0	0.0	6.0
City of Durham			25.0	25.0	0.0	0.0
Fayetteville			20.0	20.0	0.0	0.0
Greensboro			25.0	25.0	0.0	0.0
Holly Springs			4.5	4.5	0.5	0.5
Apex & Cary[2]	16.0		29.0	45.0	5.0	21.0
Morrisville[2]			4.5	4.5	2.5	2.5
Wake County/RTP[2]			3.5	3.5	1.5	1.5
OWASA		10.0	No application submitted this round			10.0
Orange County		1.0	No application submitted this round			1.0
Totals	**20.0**	**13.0**	**118.5**	**151.5**	**9.5**	**42.5**

[1] This column shows the total allocations if all the current requests or recommendations were approved

[2] Allocation is contingent on obtaining an interbasin transfer certification. The recommendations provided are for informational purposes and public comment only at this time.

SOURCE: JORDAN LAKE WATER SUPPLY STORAGE ALLOCATION RECOMMENDATIONS

R-129

Allocations fall into two categories. Level I allocations are made based on 20-year water need projections *and* when withdrawals are planned to begin within five years of receiving the allocation. Level II allocations are made based on longer term needs of up to 30 years.

Only one round of allocations have been made thus far. These initial allocations of water supply from Jordan Lake were made in 1988. At that time, 42 percent of the water supply pool was allocated; however, some original allocation holders have since released their allocations. Currently, one-third, or 33 MGD, of the 100 MGD water supply pool is allocated as follows in Table 1. Note that allocations are actually a percentage of the water supply pool and not a rate of withdrawal. However, for convenience in this report allocations will be expressed in MGD, since 100 percent of water supply storage has an estimated safe yield of 100 MGD.

Table 1. Existing Jordan Water Supply Allocations

Allocation Holder	Level I	Level II
Cary-Apex	16	0
Chatham County	4	2
Orange Water & Sewer Authority	0	10
Orange County	0	1
Total	**20 MGD**	**13 MGD**

Two of the current allocation holders, Apex & Cary and Chatham County, are requesting an increase in their existing allocations. Orange Water & Sewer Authority and Orange County have not requested an increase and both anticipate starting to use their allocations sometime between 2010 and 2015.

Existing rules limit water supply allocations that will result in diversions out of the lake's watershed to 50 percent of the 100 MGD total water supply yield. The EMC may review and revise this limit based on experience in managing the lake and on the effects of changes in the lake's watershed that will affect its yield. Currently, 19.4 MGD of the 100 MGD yield is approved to be diverted out of the lake's watershed.

Costs and Repayment Requirements

Jordan Lake was financed and constructed by the Federal government through the U.S. Army Corps of Engineers. Storage space for municipal and industrial water supply was included at the request of state and local officials with the understanding that the costs associated with this water supply storage would be paid for by the actual users. North Carolina statute (G.S. 143-215.38) authorized the State, acting through the EMC, to assume repayment responsibilities for these costs. The costs associated with providing water supply storage in Jordan Lake fall into three basic categories: capital costs, operating costs, and administrative costs. The total annual cost for

R-130

Table 2. Water Supply Allocation Recommendations

Applicant	Current Allocations (MGD)		Applicant Requests (MGD)		State Recommendation	
	Level I	Level II	System Request	Total[1]	Recommendation	Total[1]
Chatham County	4.0	2.0	7.0	13.0	0.0	6.0
City of Durham			25.0	25.0	0.0	0.0
Fayetteville			20.0	20.0	0.0	0.0
Greensboro			25.0	25.0	0.0	0.0
Holly Springs			4.5	4.5	0.5	0.5
Apex & Cary[2]	16.0		29.0	45.0	5.0	21.0
Morrisville[2]			4.5	4.5	2.5	2.5
Wake County/RTP[2]			3.5	3.5	1.5	1.5
OWASA		10.0	No application submitted this round			10.0
Orange County		1.0	No application submitted this round			1.0
Totals	**20.0**	**13.0**	**118.5**	**151.5**	**9.5**	**42.5**

[1] This column shows the total allocations if all the current requests or recommendation were approved

[2] Allocation is contingent on obtaining interbasin transfer certification. The recommendations provided are for informational purposes only at this time.

Table 3 provides a more detailed summary of each of the systems' projected population and water use. The appendices provide details on each of the systems.

The applicants for which an allocation is recommended and for which interbasin transfer will be an issue include Holly Springs, Morrisville, Cary/Apex, and RTP South. For all of these systems the responsibility would be Cary's and Apex's for obtaining the interbasin transfer certification, since they own the pipes at the point where the transfer occurs. However, the rules also allow for another party involved in the transfer to assume responsibility for certification, if approved by the Director of the Division of Water Resources.

Holly Springs has requested to assume responsibility for certification of the interbasin transfer associated with their allocation request. The Division is going to approve their request for the following reasons. Holly Springs has its own WWTP which discharges back into the Cape Fear River basin, not the Neuse River basin. The estimated maximum daily transfer is only 0.8 MGD, based on the 0.5 MGD allocation recommendation. Since the Holly Springs interbasin transfer potential is only 0.8 MGD, well below the 2.0 MGD certification threshold, no interbasin transfer certification is needed at this time.

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Figure 1. Jordan Lake Water Supply Allocation Process Milestones

✔ I. Receive request for a new or increased water supply allocation.
Division of Water Resources (DWR) received a letter from Town of Cary, May 8, 1996.

✔ II. Notify Environmental Management Commission (EMC) at their next meeting.
DWR was on the agenda for the Water Quality Committee, July 10, 1996 (No EMC meetings in June).

✔ III. Hold public information meeting for potential applicants and interested parties.
Public information meeting was held on June 27, 1996.

✔ IV. All potential applicants send the Division a letter of intent.
Deadline for letter of intent is July 31, 1996.

✔ V. Applicants complete application package.
The deadline for completed applications is September 30, 1996. DWR provides EMC with a status report at their next meeting (October).

✔ VI. DWR will issue a notice that applications have been received, with a 30-day written comment period.
DWR sent out a notice October 14th, with a comment deadline November 15th.

No Interbasin Transfers

VII. DWR presents initial recommendations to EMC.
DWR will present recommendations to the Water Quality Committee, March 1997 and to the full commission at their April 1997 meeting.

VIII. Hold public hearing and provide a 30-day comment period.
There will be a minimum 30-day notice for the hearing and a 30-day comment period after the hearing, in late May or early June 1997.

IX. EMC makes decision on allocations.
The hearing officer's report and recommendations will be presented to the Water Quality Committee, October 1997 and to the full commission at their December 1997 meeting. (Note, no EMC meetings in November.)

X. Prepare new and/or amend contract(s) for approved allocations.

Interbasin Transfers

VII. DWR provides EMC with information about need and reasonableness.
DWR will present information to the Water Quality Committee, March 1997 and to the full commission at their April 1997 meeting.

VIII. Provide a 30-day written comment period.

IX. Develop appropriate interbasin transfer and SEPA documentation.
Time needed to develop environmental documentation will depend upon the amount of the transfer and issues identified in the scoping meeting(s). Depending upon the complexity of the issues, this task will likely range from 12 to 24 months in length.

X. Publish required public notices.
There will be a minimum 30-day notice for the hearing.

XI. Hold public hearing and provide 30-day public comment period.

XII. EMC makes determination on petition and allocation.

XIII. Prepare new and/or amend contract(s) for approved allocations.
Contract preparation takes about one month.

AID-TO-C[redacted] CONTRACTS
Division of Epidemiology
FY 96-97 Allocations and Budgeted Amounts

HEALTH DEPARTMENT	CD STATE		TB STATE		HIV/STD STATE		HIV/STD SSBG		TOTAL STATE		Block Grant
	Allocated	Budgeted	Allocated	Budgeted	Allocated	Budgeted	Allocated	Budgeted	Allocated	Budgeted	
ALAMANCE	$3,800	$3,800	$30,917	$30,917	$12,500	$12,500			$47,217	$47,217	yes
ALEXANDER	$10,363	$13,315	$2,452	$0	$500	$0			$13,315	$13,315	
ALLEGHANY	$11,304	$11,304	$904	$904	$500	$500			$12,708	$12,708	
ANSON	$6,022	$15,076	$2,554	$0	$500	$0	$6,000	$0	$15,076	$15,076	yes
ASHE	$11,405	$11,405	$908	$908	$500	$500			$12,813	$12,813	
AVERY	$11,431	$11,431	$1,030	$1,030	$500	$500			$12,961	$12,961	
BEAUFORT	$2,750	$2,750	$24,356	$24,356	$3,923	$3,923			$31,029	$31,029	
BERTIE	$1,250	$1,250	$17,503	$17,503	$500	$500			$19,253	$19,253	
BLADEN	$2,200	$2,200	$20,783	$20,783	$500	$500			$23,483	$23,483	
BRUNSWICK	$13,620	$13,620	$3,119	$3,119	$500	$500			$17,239	$17,239	
BUNCOMBE	$8,000	$40,988	$32,988	$0		$0			$40,988	$40,988	yes
BURKE	$1,650	$1,650	$18,293	$18,293	$500	$500	$12,000	$12,000	$32,443	$32,443	
CABARRUS	$11,000	$11,000	$3,928	$3,928					$14,928	$14,928	
CALDWELL	$10,500	$10,500	$3,244	$3,244	$12,500	$12,500			$26,244	$26,244	
CAMDEN	$7,479	$7,479	$4,677	$4,677	$500	$500			$12,656	$12,656	
CARTERET	$1,800	$25,452	$11,152	$0	$500	$0	$12,000	$0	$25,452	$25,452	yes
CASWELL	$11,181	$11,181	$1,688	$1,688	$500	$500			$13,369	$13,369	
CATAWBA	$8,400	$45,453	$24,553	$0	$12,500	$0			$45,453	$45,453	yes
CHATHAM	$1,650		$9,305		$500	$500	$12,000	$12,000	$23,455	$12,500	
CHEROKEE	$11,340	$11,340	$1,160	$1,160	$500	$500			$13,000	$13,000	
CHOWAN	$8,080	$8,080	$4,749	$4,749	$500	$500			$13,329	$13,329	
CLAY	$11,574	$11,574	$682	$682	$500	$500			$12,756	$12,756	
CLEVELAND	$5,600	$25,504	$19,904	$0					$25,504	$25,504	yes
COLUMBUS	$3,500	$48,097	$32,097	$0	$12,500	$0		$0	$48,097	$48,097	yes
CRAVEN	$6,500	$6,500	$33,440		$12,500	$12,500			$52,440	$19,000	
CUMBERLAND	$26,400	$138,856	$87,456	$0	$25,000	$0			$138,856	$138,856	yes
CURRITUCK	$10,516	$10,516	$2,188	$2,188	$500	$500			$13,204	$13,204	
DARE	$950	$15,015	$1,565	$0	$500	$0	$12,000	$0	$15,015	$15,015	yes
DAVIDSON	$3,900	$3,900	$31,653	$31,653	$12,500	$12,500			$48,053	$48,053	
DAVIE	$950	$950	$1,568	$1,568	$500	$12,500	$12,000	$0	$15,018	$15,018	
DUPLIN	$4,550	$4,550	$30,527	$30,527	$500	$500			$35,577	$35,577	
DURHAM	$22,050	$128,778	$81,728	$0	$25,000	$0			$128,778	$128,778	yes
EDGECOMBE	$7,550	$7,550	$51,323	$51,323	$500		$12,000	$12,500	$71,373	$71,373	
FORSYTH	$18,200	$18,200	$51,319	$51,319	$25,000	$25,000			$94,519	$94,519	
FRANKLIN	$4,450	$4,450	$14,427	$14,427	$500	$500			$19,377	$19,377	
GASTON	$28,850	$28,850	$31,584	$31,584					$60,434	$60,434	
GATES	$150	$150	$21,336	$21,336	$500	$500			$21,986	$21,986	
GRAHAM	$11,617	$12,849	$732	$0	$500	$0			$12,849	$12,849	yes
GRANVILLE	$1,500	$1,500	$11,065	$11,065	$500	$500	$3,000	$3,000	$16,065	$16,065	
GREENE	$10,886	$11,386	$3,639	$3,639	$500	$0		$0	$15,025	$15,025	yes
GUILFORD	$16,350	$16,350	$82,111	$82,111	$25,000	$25,000			$123,461	$123,461	
HALIFAX	$2,350	$2,350	$67,585		$500	$500			$70,435	$2,850	
HARNETT	$4,100	$37,658	$33,058	$0	$500	$0			$37,658	$37,658	yes
HAYWOOD	$11,706	$11,706	$2,224	$2,224	$500	$500			$14,430	$14,430	
HENDERSON	$2,650	$2,650	$11,923	$11,923	$12,500	$12,500			$27,073	$27,073	
HERTFORD	$1,100	$1,100	$21,464	$21,464	$500	$500			$23,064	$23,064	
HOKE	$3,743	$16,449	$12,206	$0	$500	$0			$16,449	$16,449	yes
HYDE	$11,318	$12,862	$1,044	$0	$500	$0			$12,862	$12,862	yes
IREDELL	$5,900	$39,631	$21,231	$0	$12,500	$0			$39,631	$39,631	yes
JACKSON	$10,775	$13,663	$2,388	$0	$500	$0			$13,663	$13,663	yes

HEALTH DEPARTMENT	CD STATE		TB STATE		HIV/STD STATE		HIV/STD SSBG		TOTAL STATE		Block Grant
	Allocated	Budgeted	Allocated	Budgeted	Allocated	Budgeted	Allocated	Budgeted	Allocated	Budgeted	
JOHNSTON	$3,850	$3,850	$65,951	$65,951	$12,500	$12,500			$82,301	$82,301	
JONES	$10,020	$10,020	$2,584	$2,584	$500	$500			$13,104	$13,104	
LEE	$3,550	$3,550	$8,655	$8,655	$500	$500			$12,705	$12,705	
LENOIR	$7,450	$7,450	$48,212	$48,212	$500	$500			$56,162	$56,162	
LINCOLN	$12,797	$15,153	$1,856	$0	$500	$0			$15,153	$15,153	yes
MACON	$10,943	$10,943	$1,607	$1,607	$500	$500			$13,050	$13,050	
MADISON	$11,050	$11,050	$1,601	$1,601	$500	$500			$13,151	$13,151	
MARTIN	$1,950	$17,056	$14,606	$0	$500	$0			$17,056	$17,056	yes
MCDOWELL	$9,256	$9,256	$4,324	$4,324	$500	$500			$14,080	$14,080	
MECKLENBURG	$50,550	$50,550	$162,654		$25,000	$25,000			$238,204	$75,550	
MITCHELL	$11,332	$11,332	$1,018	$1,018	$500	$500			$12,850	$12,850	
MONTGOMERY	$11,415	$13,665	$2,250	$0	$500	$500			$14,165	$14,165	yes
MOORE	$2,800	$2,800	$19,949	$19,949	$500	$500			$23,249	$23,249	
NASH	$4,300	$4,800	$51,638	$51,638	$500	$0			$56,438	$56,438	yes
NEW HANOVER	$8,100	$45,131	$37,031	$0					$45,131	$45,131	yes
NORTHAMPTON	$2,500	$2,500	$30,998	$15,499	$500	$15,999			$33,998	$33,998	
ONSLOW	$12,250	$11,494	$37,622	$40,073	$12,500	$10,805			$62,372	$62,372	yes
ORANGE	$3,800	$17,018	$13,218	$0					$17,018	$17,018	yes
PAMLICO	$10,327	$12,976	$2,149		$500				$12,976	$12,976	yes
PASQUOTANK	$1,850	$1,850	$4,889	$4,889	$500	$500			$7,239	$7,239	
PENDER	$10,247	$10,247	$2,996	$2,996	$500	$500			$13,743	$13,743	
PERQUIMANS	$7,729	$7,729	$4,706	$4,706	$500	$500			$12,935	$12,935	
PERSON	$4,507	$4,507	$8,868	$8,868	$500	$500			$13,875	$13,875	
PITT	$9,050	$75,736	$75,736	$9,050	$12,500	$12,500			$97,286	$97,286	yes
POLK	$8,156	$8,156	$4,190	$4,190	$500	$500			$12,846	$12,846	
RANDOLPH	$5,050	$5,050	$11,774	$11,774	$12,500	$12,500			$29,324	$29,324	
RICHMOND	$2,050	$2,050	$14,383	$14,383	$500	$500			$16,933	$16,933	
ROBESON	$5,300	$5,300	$65,210	$65,210	$12,500	$12,500			$83,010	$83,010	
ROCKINGHAM	$4,200	$4,200	$15,376	$15,376	$500	$500			$20,076	$20,076	
ROWAN	$11,550	$11,550	$17,422	$17,422	$12,500	$12,500			$41,472	$41,472	
RUTHERFORD	$4,200	$4,200	$4,609	$4,609	$500	$500			$9,309	$9,309	
SAMPSON	$3,750	$64,680	$60,430	$0	$500	$0			$64,680	$64,680	yes
SCOTLAND	$8,050	$0	$13,247	$21,797	$500	$0			$21,797	$21,797	yes
STANLY	$2,800	$2,800	$2,920	$2,920	$500	$500			$6,220	$6,220	
STOKES	$11,272	$11,272	$1,590	$1,590	$500	$500			$13,362	$13,362	
SURRY	$2,450	$2,950	$2,231	$2,231	$500	$0			$5,181	$5,181	yes
SWAIN	$10,796	$13,035	$1,739	$0	$500	$0			$13,035	$13,035	yes
TRANSYLVANIA	$10,920	$13,108	$1,688	$0	$500	$0			$13,108	$13,108	yes
TYRRELL	$100	$14,977	$14,377	$0	$500	$0			$14,977	$14,977	yes
UNION	$7,600	$23,967	$3,867	$0	$12,500	$0			$23,967	$23,967	
VANCE	$2,750	$2,750	$11,205	$11,205	$500	$500			$14,455	$14,455	
WAKE	$53,450	$53,450	$95,579	$95,579	$25,000	$25,000			$174,029	$174,029	
WARREN	$9,830	$13,327	$2,997	$0	$500	$0			$13,327	$13,327	yes
WASHINGTON	$500	$15,434	$14,434	$0	$500	$0			$15,434	$15,434	yes
WATAUGA	$1,100	$1,100	$1,027	$1,027	$500	$500			$2,627	$2,627	
WAYNE	$8,800	$8,800	$54,940	$54,940	$12,500	$12,500			$76,240	$76,240	
WILKES	$2,350	$2,350	$2,811	$2,811	$500	$500			$5,661	$5,661	
WILSON	$8,500	$8,500	$60,233	$60,233	$12,500	$12,500			$81,233	$81,233	
YADKIN	$11,587	$11,587	$1,121	$1,121	$500	$500			$13,208	$13,208	
YANCEY	$11,332	$11,332	$1,018	$1,018	$500	$500			$12,850	$12,850	
TOTALS	$834,976	$1,569,456	$2,069,266	$1,187,348	$401,423	$315,727	$81,000	$39,500	$3,386,665	$3,112,031	

NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES
Inorganic[redacted]es/Microbiological Analysis
[redacted]NUARY 1997

Lab [redacted]

Laboratory	Mic	As	Ba	Be	Cd	Cr	Cu	Fe	Hg	Mn	Na	Ni	Pb	Sb	Se	Th	Cn	F	NO_3	NO_2	SO_4	Co
IN-STATE																						
Lab#37742 Aqua Tech Env. Laboratories 936 North Horner Blvd. Sanford, NC 27331 Phone: (919)776-5999 1-800-522-2832	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X		X	X	X	X	X
Lab #37768 Bailey Water Treatment Services 3549 Tar River Road Oxford NC 27565 Phone: (919) 690-1524	X																					
Lab#37702 Microbac, BAW Division 635-A Pressley Road Charlotte, NC 28217 Phone: (704) 522-6363	X	X	X			X	X	X	X	X	X	X	X				X	X		X	X	X
Lab#37718 Beacham Laboratories 1820 Wilmington Hwy Jacksonville, NC 28540 Phone: (910) 347-5843	X				X	X	X					X	X			X			X	X		
Lab#37743 Burlington Research Laboratories 1302 Belmont Street Burlington, NC 27215 Phone: (910) 570-4661	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Lab#37741 Carolina Env. Lab 1229 North Horner Blvd. Sanford, NC 27730 Phone: (919) 775-1880	X	X	X		X	X	X	X	X		X	X	X	X	X		X	X		X		X

X = Certified for analytes listed.

KEY FOR ANALYTES

Micro.....Total & Fecal Coliform analysis
Antimony.....Sb
Arsenic.....Ar
Barium.....Ba
Beryllium.....Be
Cadmium..... Cd
Chromium..... Cr
Copper..... Cu
Corrosivity.....Cor
Cyanide.....Cn
Fluoride.....F
Iron.....Fe
Lead.....Pb
Manganese.....Mn
Mercury.....Hg
Nickel..... Ni
Nitrate.....NO_3
Nitrite.....NO_2
Selenium.....Se
Sodium.....Na
Sulfate..... SO_4
Thallium.....Th

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NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES

Inorganic Analytes/Microbiological Analysis

JANUARY 1997

Laboratory	Mic	As	Ba	Be	Cd	Cr	Cu	Fe	Hg	Mn	Na	Nl	Pb	Sb	Se	Th	Cn	F	NO_3	NO_2	SO_4	Cor
IN-STATE																						
Lab#37724 Chem. & Env. Tech. Lab Box 12298 Research Triangle Park, NC 27709 Phone: (919) 467-3090	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Lab#37749 Contractors & Engineers Env. Testing PO Box 762 Goldsboro, NC 27533 Phone: (919) 735-7353	X	X	X		X		X	X	X		X	X	X		X							
Lab #37765 Culligan Operating Services Inc 1184 Arnold Road Highlands NC 28741 Phone: (704) 526-0504	X																					
Lab #37760 Earth Environmental PO Box 1177 Marshall NC 28753 Phone: (704) 649-9250	X																					
Lab#37726 Elements Illustrated 2714 First Ave, NW Hickory, NC 28601 Phone: (704) 332-6421	X																					
Lab#37715 Environment I 114 Oakmont Dr., Box 7085 Greenville, NC 27834 Phone: (919) 756-6208	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X

X = Certified for analytes listed.

KEY FOR ANALYTES

Micro . . . . . Total & Fecal coliform analysis
Antimony . . . . . Sb
Arsenic . . . . . As
Barium . . . . . Ba
Beryllium . . . . . Be
Cadmium . . . . . Cd
Chromium . . . . . Cr
Copper . . . . . Cu
Corrosivity . . . . . Cor
Cyanide . . . . . Cn
Fluoride . . . . . F
Iron . . . . . Fe
Lead . . . . . Pb
Manganese . . . . . Mn
Mercury.....Hg
Nickel..... Ni
Nitrate.....NO_3
Nitite..... NO_2
Selenium.....Se
Sodium.....Na
Sulfate..... SO_4
Thallium.....Th

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NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES

Inorganic Analytes/Microbiological Analysis

JANUARY 1997

Laboratory	Mic	As	Ba	Be	Cd	Cr	Cu	Fe	Hg	Mn	Na	Ni	Pb	Sb	Se	Th	Cn	F	NO_3	NO_2	SO_4	Cor
IN-STATE																						
Lab#37729 Environmental Chemists Inc. 6602 Windmill Way Wilmington, NC 28405 Phone: (910) 392-0223	X		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Lab#37754 Environmental Maintenance Systems PO Box 1355 Cullowhee, NC 28723 Phone: (704) 293-9396	X																					
Lab#37764 ESS Laboratories 3917 West Point Blvd, Suite E Winston Salem, NC 27103 Phone: (910) 659-3378	X																					
Lab#37745 Geo Chem 2500 Gateway Centre, Suite 300 Morrisville, NC 27560 Phone: (919) 460-8093		X		X	X	X	X					X	X		X							
Lab #37756 Granville Environmental 2031 Tommie Daniel Road Oxford, NC 27565 Phone: (919) 693-5353	X																					
Lab#37705 Guilford Laboratory, Inc. Box 9735 Greensboro, NC 27429 Phone: (910) 379-1004	X	X			X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X

X = Certified for analytes listed.

KEY FOR ANALYTES

Micro ..... Total & Fecal coliform analysis
Antimony ..... Sb
Arsenic ..... As
Barium ..... Ba
Beryllium ..... Be
Cadmium ..... Cd
Chromium ..... Cr
Copper ..... Cu
Corrosivity ..... Cor
Cyanide ..... Cn
Fluoride ..... F
Iron ..... Fe
Lead ..... Pb
Manganese ..... Mn
Nickel ..... Ni
Nitrate ..... NO_3
Nitrite ..... NO_2
Selenium ..... Se
Sodium ..... Na
Sulfate ..... SO_4
Thallium ..... Th
Mercury ..... Hg

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NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES
Inorganic Analytes/Microbiological Analysis
JANUARY 1997

Laboratory	Mic	As	Ba	Be	Cd	Cr	Cu	Fe	Hg	Mn	Na	Ni	Pb	Sb	Se	Th	Cn	F	NO_3	NO_2	SO_4	Cor
IN-STATE																						
Lab#37733 Hydro Analytical 6300 Ramada Dr., Box C-2 Clemmons, NC 27012 Phone: (910) 766-7846	X	X	X	X	X	X	X	X		X	X	X	X	X		X	X	X	X	X	X	
Lab#37717 HydroLogic Laboratories 122 Lyman Street Asheville, NC 28801 Phone: (704) 254-5169	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Lab#37737 HydroLogic Laboratories Carolina Bus.Cnt. Bldg 2848 Ste E Charlotte NC 28202 Phone: (704) 392-1164	X																					
Lab #37716 Hydrologic Laboratories 2003 North Pine Street Lumberton NC 28358 Phone: (910) 738-6190	X																					
Lab#37720 Industrial & Env. Analysts 3000 Weston Parkway Cary, NC 27513 Phone: (919) 677-0090	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	

X = Certified for analytes listed

KEY FOR ANALYTES

Micro . . . . . Total & Fecal coliform analysis
Antimony . . . . . Sb
Arsenic . . . . . As
Barium . . . . . Ba
Beryllium . . . . . Be
Cadmium . . . . . Cd
Chromium . . . . . Cr
Copper . . . . . Cu
Corrosivity . . . . . Cor
Cyanide . . . . . Cn
Fluoride . . . . . F
Iron . . . . . Fe
Lead . . . . . Pb
Manganese . . . . . Mn
Nickel . . . . . Ni
Nitrate . . . . . NO_3
Nitrite . . . . . NO_2
Selenium . . . . . Se
Sodium . . . . . Na
Sulfate . . . . . SO_4
Thallium . . . . . Th
Mercury . . . . . Hg

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NORTH CAROLINA [redacted]FIED DRINKING WATER LABORATORIES
Inorganic Analytes/Microbiological Analysis
JANUARY 1997

Laboratory	Mic	As	Ba	Be	Cd	Cr	Cu	Fe	Hg	Mn	Na	Ni	Pb	Sb	Se	Th	Cn	F	NO_3	NO_2	SO_4	C
IN-STATE																						
Lab #37763 James & James Env. Management 814B Kanuga Street Hendersonville NC 28739 Phone: (704) 697-0063	X																					
Lab #37767 K & W Laboratories 9331-B Albemarle Road Charlotte NC 28227 Phone: (704) 569-1800	X																					
Lab#37744 Land & Lab Tech. 2014 US Hwy 17 North New Bern, NC 28560 Phone: (919) 633-1882	X																	X				
Lab #37704 Law & Co. 1711 Castle Street Wilmington, NC 28402 Phone: (910) 762-7082	X	X	X	X	X	X	X	X		X		X	X	X	X	X			X	X		
Lab #37714 Microbac Env. Laboratories 817 Castle Hayne Street Fayetteville, NC 28303 Phone: (910) 864-1920	X						X						X						X	X		

X = Certified for analytes listed.

KEY FOR ANALYTES

Micro . . . . . Total & Fecal coliform analysis
Antimony . . . . . Sb
Arsenic . . . . . As
Barium . . . . . Ba
Beryllium . . . . . Be
Cadmium . . . . . Cd
Chromium . . . . . Cr
Copper.....Cu
Corrosivity . . . . . Cor
Cyanide . . . . . Cn
Fluoride . . . . . F
Iron . . . . . Fe
Lead . . . . . Pb
Manganese . . . . . Mn
Nickel . . . . . Ni
Nitrate . . . . . NO_3
Nitrite . . . . . NO_2
Selenium . . . . . Se
Sodium . . . . . Na
Sulfate . . . . . SO_4
Thallium . . . . . Th
Mercury.....Hg

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NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES
Inorganic Analytes/Microbiological Analysis
JANUARY 1997

Laboratory	Mic	As	Ba	Be	Cd	Cr	Cu	Fe	Hg	Mn	Na	Ni	Pb	Sb	Se	Th	Cn	F	NO_3	NO_2	SO_4	Cor
IN-STATE																						
Lab #37734 Milkco Inc. 220 Deaverview Road Asheville NC 28806 Phone; (704) 254-9560	X																					
Lab#37762 Moore County Water & Sewer Auth. 1060 Addor Road Pinebluff, NC 28373 Phone: (910) 281-3146	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Lab #37721 Oxford Laboratories 1316 S. Fifth Street Wilmington, NC 28401 Phone: (910) 763-9793		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Lab #37712 Pace Analytical Services 54 Ravenscroft Drive Asheville NC 28801 Phone: (704) 254-7176	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Lab #37706 Pace Analytical Services 9800 Kincey Ave. Suite 100 Huntersville NC 28078 Phone: (704) 875-9092	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Lab #37753 Piedmont Laboratories 702 North Morgan Street Shelby NC 28150 Phone; (704) 482-5227	X																					

X = Certified for analytes listed.

KEY FOR ANALYTES

Micro . . . . . Total & Fecal coliform analysis
Antimony . . . . . Sb
Arsenic . . . . . As
Barium . . . . . Ba
Beryllium . . . . . Be
Cadmium . . . . . Cd
Chromium . . . . . Cr
Copper . . . . . Cu
Corrosivity . . . . . Cor
Cyanide . . . . . Cn
Fluoride . . . . . F
Iron . . . . . Fe
Lead . . . . . Pb
Manganese . . . . . Mn
Nickel . . . . . Ni
Nitrate . . . . . NO_3
Nitrite . . . . . NO_2
Selenium . . . . . Se
Sodium . . . . . Na
Sulfate . . . . . SO_4
Thallium . . . . . Th
Mercury . . . . . Hg

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NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES
Inorganic Analytes/Microbiological Analysis
JANUARY 1997

Laboratory	Mic	As	Ba	Be	Cd	Cr	Cu	Fe	Hg	Mn	Na	Ni	Pb	Sb	Se	Th	Cn	F	NO_3	NO_2	SO_4	C
IN-STATE																						
Lab #37758 Precise Analytical 107 Commercial Park Dr. SW Concord NC 28027 Phone: (704) 788-9497	X	X	X		X			X	X	X		X	X					X	X	X		
Lab #37735 Prism Labs PO Box 240543 Charlotte NC 28224 Phone: (704) 529-6364	X	X	X	X	X	X	X		X	X	X	X	X		X		X	X	X	X	X	X
Lab #37701 Research & Analytical Laboratory 106 Short Street/PO Box 473 Kernersville NC 27284 Phone: (910) 996-2841	X	X	X	X	X	X	X	X	X	X		X	X	X	X	X	X	X	X	X	X	X
Lab #37752 RETAW Laboratories 240 E. Swannanoa River Asheville NC 28805 Phone: (704) 252-1944	X	X	X	X		X	X	X	X	X		X	X		X	X						
Lab #37708 Southern Testing Laboratories 3809 Airport Drive Wilson NC 27896 Phone; (919) 237-4175	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Lab #37755 Statesville Analytical PO Box 228 Statesville NC 28687 Phone: (704) 872-4697	X																					

X = Certified for analytes listed.

KEY FOR ANALYTES

Micro . . . . . Total & Fecal coliform analysis
Antimony . . . . . Sb
Arsenic . . . . . As
Barium . . . . . Ba
Beryllium . . . . . Be
Cadmium . . . . . Cd
Chromium . . . . . Cr
Copper . . . . . Cu
Corrosivity . . . . . Cor
Cyanide . . . . . Cn
Fluoride . . . . . F
Iron . . . . . Fe
Lead . . . . . Pb
Manganese . . . . . Mn
Nickel . . . . . Ni
Nitrate . . . . . NO_3
Nitrite . . . . . NO_2
Selenium . . . . . Se
Sodium . . . . . Na
Sulfate . . . . . SO_4
Thallium . . . . . Th
Mercury . . . . . Hg

NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES

Inorganic Analytes/Microbiological Analysis

JANUARY 1997

Laboratory	Mic	As	Ba	Be	Cd	Cr	Cu	Fe	Hg	Mn	Na	Ni	Pb	Sb	Se	Th	Cn	F	NO_3	NO_2	SO_4	Cor
IN-STATE																						
Lab #37761 Sylvanus Environmental Inc. PO Box 897 Pittsboro NC 27312 Phone: (919) 545-0552	X																					
Lab #37731 Tritest Inc. 3909 Beryl Road Raleigh NC 27607 Phone:(919) 834-4984	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X		X
Lab #37738 Water Env. Services 370 West Meadow Road Eden NC 27288 Phone: (910) 623-8921	X																					
Lab #37740 Water Technology & Controls 642 Tamco Road Reidsville NC 27320 Phone: (910) 342-4748	X																					
Lab #37711 Water Tech Laboratory PO Box 1056 Granite Falls NC 28630 Phone: (704) 396-4444	X						X						X					X	X	X		X

X = Certified for analytes listed.

KEY FOR ANALYTES

Micro . . . . . Total & Fecal coliform analysis
Antimony . . . . . Sb
Arsenic . . . . . As
Barium . . . . . Ba
Beryllium . . . . . Be
Cadmium . . . . . Cd
Chromium . . . . . Cr
Copper.....Cu
Corrosivity . . . . . Cor
Cyanide . . . . . Cn
Fluoride . . . . . F
Iron . . . . . Fe
Lead . . . . . Pb
Manganese . . . . . Mn
Mercury . . . . . Hg
Nickel . . . . . Ni
Nitrate . . . . . NO_3
Nitrite . . . . . NO_2
Selenium . . . . . Se
Sodium . . . . . Na
Sulfate . . . . . SO_4
Thallium . . . . . Th

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NORTH CAROLINA C[illegible]IED DRINKING WATER LABORATORIES
Inorganic Analytes/Microbiological Analysis
JANUARY 1997

Laboratory	Mic	As	Ba	Be	Cd	Cr	Cu	Fe	Hg	Mn	Na	Ni	Pb	Sb	Se	Th	Cn	F	NO_3	NO_2	SO_4	Co
OUT-OF-STATE																						
Lab #39700 Aqua Tech Env. Laboratories 1776 Marion-Waldo Road Marion, OH 43302 Phone: 1-800-783-5991		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Lab#18700 Environmental Health Labs 110 S. Hill Street South Bend, IN 46617 Phone: (219) 233-4777		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Lab#12705 Env. Science & Engineering PO Box 1703 Gainsville, FL 36202-1703 Phone: (904) 332-3318 1-800-874-7872		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X		X	X	X
Lab#45706 Land & Lab Technology 119 Diversco Drive, Suite 7 Spartanburg, SC 29302 Phone: (803) 579-7711	X																					
Lab#45707 Land & Lab Technology PO Box 4989 W. Columbia, SC 29171 Phone: (803) 739-2805	X	X	X	X	X			X			X	X	X		X		X		X	X	X	
Lab#26700 National Testing Laboratories 556 South Mansfield Street Ypsilanti, MI 48197 Phone: (313) 483-8333		X	X	X	X	X	X	X	X	X	X	X	X		X	X			X	X	X	X

X = Certified for analytes listed.

KEY FOR ANALYTES

Micro . . . . . Total & Fecal coliform analysis
Antimony . . . . . Sb
Arsenic . . . . . As
Barium . . . . . Ba
Beryllium . . . . . Be
Cadmium . . . . . Cd
Chromium . . . . . Cr
Copper . . . . . Cu
Corrosivity . . . . . Cor
Cyanide . . . . . Cn
Fluoride . . . . . F
Iron . . . . . Fe
Lead . . . . . Pb
Manganese . . . . . Mn
Nickel . . . . . Ni
Nitrate . . . . . NO_3
Nitrite . . . . . NO_2
Selenium . . . . . Se
Sodium . . . . . Na
Sulfate . . . . . SO_4
Thallium . . . . . Th
Mercury.....Hg

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NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES

Inorganic Analytes/Microbiological Analysis

JANUARY 1997

Laboratory	Mic	As	Ba	Be	Cd	Cr	Cu	Fe	Hg	Mn	Na	Ni	Pb	Sb	Se	Th	Cn	F	NO_3	NO_2	SO_4	Cor
OUT-OF-STATE																						
Lab#12700 Orlando Laboratories 820 Humphries Ave. Orlando, FL 38124 Phone: 1-800-826-8320		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Lab#51704 Mid-Atlantic Laboratories, Inc. 14294 Big Timber Road King George, VA 22485 Phone: (703) 775-7775	X																					
Lab#39702 Quanterra Env. Services 4101 Shuffel Dr., NW North Canton, OH 44720 Phone: (216) 497-9396			X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Lab#51700 LabCorp 8040 Villa Park Dr. Richmond, VA 23228 Phone: (804) 264-7100		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Lab#12703 Savannah Laboratories 2846 Industrial Plaza Dr. Tallahassee, FL 32301 Phone: (904) 878-3993		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X		X	X	X	X	X

X = Certified for analytes listed.

KEY FOR ANALYTES

Micro . . . . . Total & Fecal coliform analysis
Antimony . . . . . Sb
Arsenic . . . . . As
Barium . . . . . Ba
Beryllium . . . . . Be
Cadmium . . . . . Cd
Chromium . . . . . Cr
Copper . . . . . Cu
Corrosivity . . . . . Cor
Cyanide . . . . . Cn
Fluoride . . . . . F
Iron . . . . . Fe
Lead . . . . . Pb
Manganese . . . . . Mn
Nickel . . . . . Ni
Nitrate . . . . . NO_3
Nitrite . . . . . NO_2
Selenium . . . . . Se
Sodium . . . . . Na
Sulfate . . . . . SO_4
Thallium . . . . . Th
Mercury . . . . . Hg

NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES
Inorganic Analytes/Microbiological Analysis
JANUARY 1997

Laboratory	Mic	As	Ba	Be	Cd	Cr	Cu	Fe	Hg	Mn	Na	Ni	Pb	Sb	Se	Th	Cn	F	NO_3	NO_2	SO_4	Cor
OUT-OF-STATE																						
Lab#51703 Schneider Laboratories, Inc. 2512 West Cary Street Richmond, VA 23220 Phone: (703) 775-7775			X	X		X	X	X		X		X	X	X								
Lab #42702 Roy F. Weston 208 Welsh Pool Road Lionville PA 19341 Phone: (610) 701-6100		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Lab #17700 Weston Env. Metrics 2417 Bond Street University Park IL Phone: (708) 534-5200		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X

X = Certified for analytes listed.

KEY FOR ANALYTES

Micro ..... Total & Fecal coliform analysis
Antimony ..... Sb
Arsenic ..... As
Barium ..... Ba
Beryllium ..... Be
Cadmium ..... Cd
Chromium ..... Cr
Copper ..... Cu
Corrosivity ..... Cor
Cyanide ..... Cn
Fluoride ..... F
Iron ..... Fe
Lead ..... Pb
Manganese ..... Mn
Nickel ..... Ni
Nitrate ..... NO_3
Nitrite ..... NO_2
Selenium ..... Se
Sodium ..... Na
Sulfate ..... SO_4
Thallium ..... Th
Mercury.....Hg

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NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES

Organic Analytes & Asbestos

JANUARY 1997

Laboratory	Total Trihalomethanes				Volatile Organic Chemicals		Pesticides & PCBs	Carbamates	Herbicides	PAHs	Dioxin	Asbestos
	Chloroform	Bromoform	Bromodichloromethane	Chlorodibromomethane	Regulated	Unregulated	1 = Chlordane 2 = Endrin 3 = EDB 4 = DBCP 5 = Heptachlor 6 = Heptachlor Epoxide 7 = Hexachlorobenzene 8 = Hexachlorocyclo-pentadiene 9 = Lindane 10 = Methoxychlor 11 = Toxaphene 12 = Aldrin 13 = Dieldrin 14 = PCBs	1 = Carbofuran 2 = Aldicarb 3 = Aldicarb Sulfone 4 = Aldicarb Sulfoxide 5 = Carbaryl 6 = Methomyl 7 = Oxamyl (Vydate) 8 = 3-Hydroxycarbofuran	1 = 2,4-D 2 = 2,4,5-TP 3 = Alachlor 4 = Atrazine 5 = Dalapon 6 = Dinoseb 7 = Diquat 8 = Endothall 9 = Glyphosate 10 = Pentachlorophenol 11 = Picloram 12 = Simazine 13 = Butachlor 14 = Dicamba 15 = Metolachlor 16 = Metribuzin 17 = Propachlor	1 = Benzo(A)Pyrene 2 = Di-(2-ethylhexyl) adipate 3 = Di-(2-ethylhexyl) phthalate		
IN-STATE												
Lab #37742 Aqua Tech Env. Laboratories 936 North Horner Blvd. Sanford, NC 27331 Phone:(919)776-5999 800-522-2832	X	X	X	X	X	X	3,4,7,8		1,2,5,6,10,11,14	X		
Lab #37741 Carolina Environmental Labs 1229 North Horner Blvd Sanford, NC 27330 Phone: (919) 775-1880	X	X	X	X								
Lab #37724 Chemical & Env. Technology Box 12298 RTP, NC 27709 Phone: (919) 467-3090	X	X	X	X	X	X	2,3,4,9,10,11		2			
Lab #37749 Contractors & Eng.Env. Testing PO Box 762/700B Hwy 70E Goldsboro, NC 27533-0762 Phone: (919) 735-7353	X	X	X	X	X	X	X Except 2,14		X Except 7,8,9	X		
Lab #37766 EMSL Analytical 620-G Guilford College Rd Greensboro NC 27409 Phone: (910) 297-1487												X

X = Certified for all analytes listed.

NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES

Organic Analytes & Asbestos

JANUARY 1997

Laboratory	Total Trihalomethanes				Volatile Organic Chemicals		Pesticides & PCBs	Carbamates	Herbicides	PAHs	Dioxin	Asbestos
	Chloroform	Bromoform	Bromodichloromethane	Chlorodibromomethane	Regulated	Unregulated	1 = Chlordane 2 = Endrin 3 = EDB 4 = DBCP 5 = Heptachlor 6 = Heptachlor Epoxide 7 = Hexachlorobenzene 8 = Hexachlorocyclo-pentadiene 9 = Lindane 10 = Methoxychlor 11 = Toxaphene 12 = Aldrin 13 = Dieldrin 14 = PCBs	1 = Carbofuran 2 = Aldicarb 3 = Aldicarb Sulfone 4 = Aldicarb Sulfoxide 5 = Carbaryl 6 = Methomyl 7 = Oxamyl (Vydate) 8 = 3-Hydroxycarbofuran	1 = 2,4-D 2 = 2,4,5-TP 3 = Alachlor 4 = Atrazine 5 = Dalapon 6 = Dinoseb 7 = Diquat 8 = Endothall 9 = Glyphosate 10 = Pentachlorophenol 11 = Picloram 12 = Simazine 13 = Butachlor 14 = Dicamba 15 = Metolachlor 16 = Metribuzin 17 = Propachlor	1 = Benzo(A)Pyrene 2 = Di-(2-ethylhexyl) adipate 3 = Di-(2-ethylhexyl) phthalate		
IN-STATE												
Lab #37715 Environment 1 114 Oakmont Dr. Box 7085 Greenville NC 27834 Phone: (919) 756-6208	X	X	X	X	X	X	X	X	X Except 7,8	X		
Lab #37720 IEA 3000 Weston Parkway Cary NC 27513 Phone: (919) 677-0090	X	X	X	X	X	X	2,3,4,9,10,11		1,2			
Lab #37721 Oxford Laboratories 1316 S Fifth Street Wilmington NC 28401 Phone: (910) 763-9793	X	X	X	X	X	X	X	X	X	X		
Lab #37706 Pace Analytical Services 9800 Kincey Ave. Suite 100 Huntersville NC 28078 Phone: (704) 875-9092	X	X	X	X								
Lab #37758 Precise Analytical Services 107 Commercial Park Dr. SW Concord NC 28027 Phone: (704) 788-9497	X		X		X	X	3,4,5,6,7,8, 10,13		3,12,13,15 16,17	X	R-	

X = Certified for all analytes listed.

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NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES

Organic Analytes & Asbestos

JANUARY 1997

Laboratory	Total Trihalomethanes				Volatile Organic Chemicals		Pesticides & PCBs	Carbamates	Herbicides	PAHs	Dioxin	Asbestos
	Chloroform	Bromoform	Bromodichloromethane	Chlorodibromomethane	Regulated	Unregulated	1 = Chlordane 2 = Endrin 3 = EDB 4 = DBCP 5 = Heptachlor 6 = Heptachlor Epoxide 7 = Hexachlorobenzene 8 = Hexachlorocyclo-pentadiene 9 = Lindane 10 = Methoxychlor 11 = Toxaphene 12 = Aldrin 13 = Dieldrin 14 = PCBs	1 = Carbofuran 2 = Aldicarb 3 = Aldicarb Sulfone 4 = Aldicarb Sulfoxide 5 = Carbaryl 6 = Methomyl 7 = Oxamyl (Vydate) 8 = 3-Hydroxycarbofuran	1 = 2,4-D 2 = 2,4,5-TP 3 = Alachlor 4 = Atrazine 5 = Dalapon 6 = Dinoseb 7 = Diquat 8 = Endothall 9 = Glyphosate 10 = Pentachlorophenol 11 = Picloram 12 = Simazine 13 = Butachlor 14 = Dicamba 15 = Metolachlor 16 = Metribuzin 17 = Propachlor	1 = Benzo(A)Pyrene 2 = Di-(2-ethylhexyl) adipate 3 = Di-(2-ethylhexyl) phthalate		
IN-STATE												
Lab #37735 Prism Laboratories PO Box 240543 Charlotte NC 28224 Phone: (704) 529-6364	X	X	X	X								
Lab #37701 Research & Analytical Lab 106 Short Str., PO Box 473 Kernesville NC 27284 Phone: (910) 996-2841	X	X	X	X	X	X	X	X	X	X		
Lab #37708 Southern Testing Laboratories 3809 Airport Drive Wilson NC 27896 Phone: (919) 237-4175	X	X	X	X	X	X	3,4					
Lab #37751 Triangle Labs of RTP 801 Capitola Drive Durham NC 27713 Phone: (919) 544-5729											X	
Lab #37731 Tritest 3909 Beryl Road Raleigh NC 27607 Phone: (919) 834-4984	X	X	X	X	X	X	X		3,4,12,13,15 16,17	X	R	

X = Certified for all analytes listed.

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NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES

Organic Analytes & Asbestos

JANUARY 1997

Laboratory	Total Trihalomethanes				Volatile Organic Chemicals		Pesticides & PCBs	Carbamates	Herbicides	PAHs	Dioxin	Asbestos
	Chloroform	Bromoform	Bromodichloromethane	Chlorodibromomethane	Regulated	Unregulated	1=Chlordane 2=Endrin 3=EDB 4=DBCP 5=Heptachlor 6=Heptachlor Epoxide 7=Hexachlorobenzene 8=Hexachlorocyclo-pentadiene 9=Lindane 10=Methoxychlor 11=Toxaphene 12=Aldrin 13=Dieldrin 14=PCBs	1=Carbofuran 2=Aldicarb 3=Aldicarb Sulfone 4=Aldicarb Sulfoxide 5=Carbaryl 6=Methomyl 7=Oxamyl (Vydate) 8=3-Hydroxycarbofuran	1=2,4-D 2=2,4,5-TP 3=Alachlor 4=Atrazine 5=Dalapon 6=Dinoseb 7=Diquat 8=Endothall 9=Glyphosate 10=Pentachlorophenol 11=Picloram 12=Simazine 13=Butachlor 14=Dicamba 15=Metolachlor 16=Metribuzin 17=Propachlor	1=Benzo(A)Pyrene 2=Di-(2-ethylhexyl) adipate 3=Di-(2-ethylhexyl) phthalate		
OUT-OF-STATE												
Lab #06700 Alta Analytical Laboratory 5070 Robert J Matthews Parkway El Dorado Hills CA 95762 Phone: (916) 993-1640											X	
Lab #39701 Aqua Tech Env. Laboratories 6878 S. State Rd 100 Melmore OH 44845 Phone: (419) 397-2222	X	X	X	X	X	X	X	X	X	X		
Lab #12708 Bionomics Laboratory 4310 E Anderson Road Orlando FL 32812 Phone: (407) 851-2560	X	X	X	X	X	X						
Lab #12706 Broward Testing Laboratory 4416 NE 11th Ave. Ft. Lauderdale FL 33334 Phone: (305) 772-9554	X	X		X			3,4,5,6,7,9,10, 12,13	X	1,2,4,6,7,8,9, 11,12,13,14,17	2,3		
Lab #39703 Data Chem Laboratory 4388 Glendale-Milford Rd Cincinnati OH 45242 Phone: (513) 733-5336											R	X

X = Certified for all analytes listed.

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NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES

Organic Analytes & Asbestos

JANUARY 1997

Laboratory	Total Trihalomethanes				Volatile Organic Chemicals		Pesticides & PCBs	Carbamates	Herbicides	PAHs	Dioxin	Asbest
	Chloroform	Bromoform	Bromodichloromethane	Chlorodibromomethane	Regulated	Unregulated	1 = Chlordane 2 = Endrin 3 = EDB 4 = DBCP 5 = Heptachlor 6 = Heptachlor Epoxide 7 = Hexachlorobenzene 8 = Hexachlorocyclo-pentadiene 9 = Lindane 10 = Methoxychlor 11 = Toxaphene 12 = Aldrin 13 = Dieldrin 14 = PCBs	1 = Carbofuran 2 = Aldicarb 3 = Aldicarb Sulfone 4 = Aldicarb Sulfoxide 5 = Carbaryl 6 = Methomyl 7 = Oxamyl (Vydate) 8 = 3-Hydroxycarbofuran	1 = 2,4-D 2 = 2,4,5-TP 3 = Alachlor 4 = Atrazine 5 = Dalapon 6 = Dinoseb 7 = Diquat 8 = Endothall 9 = Glyphosate 10 = Pentachlorophenol 11 = Picloram 12 = Simazine 13 = Butachlor 14 = Dicamba 15 = Metolachlor 16 = Metribuzin 17 = Propachlor	1 = Benzo(A)Pyrene 2 = Di-(2-ethylhexyl) adipate 3 = Di-(2-ethylhexyl) phthalate		
OUT-OF-STATE												
Lab #18700 Environmental Health Laboratory 110 South Hill Street South Bend IN 46617 Phone: (219) 233-4777	X	X	X	X	X	X	X	X	X	X		
Lab #12705 Environmental Science & Eng. PO Box 1703 Gainesville FL 32602 Phone: 904-332-3318 1- 800-874-7872	X	X	X	X	X	X	X Except 7,8,14		1,2,5,6,10,11,14			
Lab #21702 Hydrologic inc 1491 Twilight Trail Frankfort KY 40601 Phone: 1-800-728-2251	X	X	X	X								
Lab #25701 IEA 149 Rangeway Road North Billerica MA Phone:(617) 272-5212 1-800-950-5212												X

X = Certified for all analytes listed.

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NORTH CAROLINA CERT[redacted] DRINKING WATER LABORATORIES

Orga[redacted]nalytes & Asbestos

JANUARY 1997

Laboratory	Total Trihalomethanes				Volatile Organic Chemicals		Pesticides & PCBs	Carbamates	Herbicides	PAHs	Dioxin	Asbestos
	Chloroform	Bromoform	Bromodichloromethane	Chlorodibromomethane	Regulated	Unregulated	1 = Chlordane 2 = Endrin 3 = EDB 4 = DBCP 5 = Heptachlor 6 = Heptachlor Epoxide 7 = Hexachlorobenzene 8 = Hexachlorocyclo-pentadiene 9 = Lindane 10 = Methoxychlor 11 = Toxaphene 12 = Aldrin 13 = Dieldrin 14 = PCBs	1 = Carbofuran 2 = Aldicarb 3 = Aldicarb Sulfone 4 = Aldicarb Sulfoxide 5 = Carbaryl 6 = Methomyl 7 = Oxamyl (Vydate) 8 = 3-Hydroxycarbofuran	1 = 2,4-D 2 = 2,4,5-TP 3 = Alachlor 4 = Atrazine 5 = Dalapon 6 = Dinoseb 7 = Diquat 8 = Endothall 9 = Glyphosate 10 = Pentachlorophenol 11 = Picloram 12 = Simazine 13 = Butachlor 14 = Dicamba 15 = Metolachlor 16 = Metribuzin 17 = Propachlor	1 = Benzo(A)Pyrene 2 = Di-(2-ethylhexyl) adipate 3 = Di-(2-ethylhexyl) phthalate		
OUT-OF-STATE												
Lab #51700 Lab Corp PO Box 25249 Richmond VA 23260 Phone: 1-800-888-8061	X	X	X	X								
Lab #42703 Microbac Laboratories 100 Marshall Drive Warrendale PA 15086 Phone: (412) 772-0610	X	X	X	X			1,3,4,7,8,9			2		
Lab #26700 National Testing Laboratories 556 South Mansfield Street Ypsilanti MI 48197 Phone: (313) 483-8333	X	X	X	X			X		1,2,4,6,10,11, 12,14,15,16			
Lab #12700 Orlando Laboratories 820 Humphries Avenue Orlando FL 38124 Phone: 1-800-826-8320	X	X	X	X			X Except 7	X Except 4	1,2,3,5,6,8,9,13, 14,15,16,17	2,3		
Lab #39702 Quanterra Inc. 4101 Shuffel Dr. NW North Canton OH 44720 Phone: (216) 497-9396	X	X	X	X							R	

X = Certified for all analytes listed.

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NORTH CAROLINA CERTIFIED DRINKING WATER LABORATORIES

Organic Analytes & Asbestos

JANUARY 1997

Laboratory	Total Trihalomethanes				Volatile Organic Chemicals		Pesticides & PCBs	Carbamates	Herbicides	PAHs	Dioxin	Asbesto
	Chloroform	Bromoform	Bromodichloromethane	Chlorodibromomethane	Regulated	Unregulated	1 = Chlordane 2 = Endrin 3 = EDB 4 = DBCP 5 = Heptachlor 6 = Heptachlor Epoxide 7 = Hexachlorobenzene 8 = Hexachlorocyclo-pentadiene 9 = Lindane 10 = Methoxychlor 11 = Toxaphene 12 = Aldrin 13 = Dieldrin 14 = PCBs	1 = Carbofuran 2 = Aldicarb 3 = Aldicarb Sulfone 4 = Aldicarb Sulfoxide 5 = Carbaryl 6 = Methomyl 7 = Oxamyl (Vydate) 8 = 3-Hydroxycarbofuran	1 = 2,4-D 2 = 2,4,5-TP 3 = Alachlor 4 = Atrazine 5 = Dalapon 6 = Dinoseb 7 = Diquat 8 = Endothall 9 = Glyphosate 10 = Pentachlorophenol 11 = Picloram 12 = Simazine 13 = Butachlor 14 = Dicamba 15 = Metolachlor 16 = Metribuzin 17 = Propachlor	1 = Benzo(A)Pyrene 2 = Di-(2-ethylhexyl) adipate 3 = Di-(2-ethylhexyl) phthalate		
OUT-OF-STATE												
Lab #12703 Savannah Laboratories 2846 Industrial Plaza Tallahassee FL 32301 Phone: (904) 878-3993	X	X	X	X	X	X	X	X	X Except 9	2,3		
Lab #51702 Scientific Laboratories 477 Southlake Road Richmond VA 23236 Phone: (804) 379-1084												X
Lab #17700 Weston Env. Metrics 2417 Bond Street University Park IL Phone: (708) 534-5200	X	X	X	X	X	X						
Lab #42702 Roy F. Weston 208 Welsh Pool Road Lionville PA 19341 Phone: (610) 701-6100	X	X	X	X								

X = Certified for all analytes listed.

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Handout (2)

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State of North Carolina
Department of Environment,
Health and Natural Resources

James B. Hunt, Jr., Governor
Jonathan B. Howes, Secretary
R. Lois Artis, Assistant Secretary
for Administration

DEHNR

April 3, 1995

MEMORANDUM

TO: Beth Christensen

FROM: Lois Artis, Assistant Secretary
Administration

SUBJECT: Museum Positions

The majority of the twelve positions being hired in the 95-96 fiscal year are key positions that will directly be involved in the exhibits, planning, and development of the new museum.

The staff currently employed cannot plan, design, and develop the new facility while they carry on their current level of programming for the general public, teachers, and school children. Therefore, it is imperative that the additional staff be brought on as soon as possible to assist the museum in achieving their goals in exhibit construction, installation, and the grand opening to the general public in the fall of 1998.

In the second half of the biennium sixteen positions will be filled, some in support roles, scientific and educational curators, and other professionals in the areas of exhibit design and construction, automation, and public relations.

cc: Jane Smith

P. O. Box 27687, Raleigh, North Carolina 27611-7687 Telephone 919-715-4135 FAX 919-715-3060
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NORTH CAROLINA STATE MUSEUM OF NATURAL SCIENCES
1995-97 RESERVE ACCOUNT

		1995-96	1996-97
1211	Salaries	$369,509	$856,034
	(1) Gr. 78 Director of Administration.	40,073	40,073
	(1) Gr. 76 Program Development Coor.	36,563	36,563
	(1) Gr. 69 Artist Illustrator III	26,946	26,946
	(1) Gr. 78 Director of Research and Collections	40,073	40,073
	(1) Gr. 72 Curator II - Paleo	30,623	30,623
	(1) Gr. 63 Museum Tech. (Birds/Mammals)	21,057	21,057
	(1) Gr. 72 Coordinator Discovery Room	30,623	30,623
	(1) Gr. 72 Coordinator of Volunteers	30,623	30,623
	(1) Gr. 72 Coordinator Conservatory & Roof Garden	30,623	30,623
	(1) Gr. 72 Coordinator of Living Collections	30,623	30,623
	(1) Gr. 68 Curator of Special Events	25,841	25,841
	(1) Gr. 68 Exhibit Designer/Developer	25,841	25,841
	(1) Gr. 60 Administrative Secretary II		18,666
	(1) Gr. 68 Purchasing Agent II		25,841
	(1) Gr. 68 Marketing Professional		25,841
	(1) Gr. 70 Computer System Administrator III		28,168
	(1) Gr. 72 Curator II - Fish		30,623
	(1) Gr. 72 Curator II - Biological Survey		30,623
	(1) Gr. 63 Museum Tech. (Birds)		21,057
	(1) Gr. 68 Curator I - Mammals		25,841
	(1) Gr. 68 Curator I Classroom Programs		25,841
	(1) Gr. 72 Coordinator Naturalist Center		30,623
	(1) Gr. 72 Exhibit Hall Sciencing Coordinator		30,623
	(1) Gr. 68 Insect Zoo Curator		25,841
	(1) Gr. 72 Coordinator of Outreach		30,623
	(1) Gr. 70 Television/Media Service Coordinator II		28,168
	(1) Gr. 72 Coordinator of Exhibits/Development		30,623
	(3) Gr. 68 Exhibit Designer/Developer		77,523
1411	Temporary Wages		20,000
1811	Social Security	28,267	70,459
1821	Retirement Contributions	40,498	93,821
1831	Hospitalization	20,832	52,080
1990	Contractual Services	19,633	147,121
Subtotal-Salary and Fringes 1,115,952		478,739	1,284,515

The museum is now at a turning point in its history. The museum, despite its limited budget, is the most visited attraction in the State Capital Complex and is open to the public seven days per week. In the past 10 years the demand for services from the Museum of Natural Sciences has dramatically increased due to the effectiveness of the Museum's education and research programs and the heightened awareness of environmental issues in the general public. In the past four years the Museum's staff has not only been managing the current Museum but also planning a new 191,000 square foot facility with only two additional staff and limited support elements. Today the Museum is recognized throughout the state as a center of science education and research that shares expertise and information about the state's natural history through exhibits, educational outreach, collections and research.

An expanded staff and increased operating funds will allow the Museum to better protect the collections and better address the demands for public services and begin the process of building the statue of the Museum. The Museum cannot make a quantum leap from the existing facility into a new museum focused on the 21st century from a weak foundation. The Museum must have the infrastructure to carry out the task to move the Museum forward.

The exhibit department is understaffed for current projects. The Artist Illustrator and Exhibit Designer/Developer will assist and design and develop exhibit concepts, working drawings and models for permanent and temporary exhibits, and assist in refurbishing existing exhibits. This will allow the Exhibits Director to spend more time working with the contracted designers to develop major Exhibit Halls in the new Museum.

The Director of Administration and Program Development Coordinator are essential elements of support for the Administrative section of the Museum. The Director of Administration will oversee the administrative duties, such as policy and budget, so that the Director of the Museum may devote the necessary energies to ensure the progress of the new Building stays on schedule. The Program Development coordinator will develop and coordinate local, state, and regional fund-raising programs to augment funding by state government.

Curator II - Paleo: Currently the Museum's Paleontology Collection and Rock and Mineral Collection are managed by a volunteer who has 25 volunteers working for him. These collections are important resources for the state and are without a staff curator. This position would be an integral part of the design development of the new Paleo Hall.

The Museum Technician position will be brought in to assist with laboratory and field research operations of the Birds and Mammals units in the research and Collections Section. This work involves managing collections as well as conducting field research, collecting specimens for collections and training people in field work and collections management. Currently, the Museum has only one research technician for the entire natural history collection of the Museum.

The Director of Research and Collections will supervise the research and collections staff of the Museum. This position will also be involved in the growth and development of expanding the Research and Collections Section as well as play a significant role in developing the overall

programs of the new Museum. This position will also seek major research and collaborative maintenance grants to support the curation of the state's natural history collections.

The Coordinator of Discovery Room, Coordinator of Volunteers, Coordinator of Conservatory and Roof Garden, Coordinator of Living Collections, and Curator of Weekend and Special Events are all essential positions in that they will augment the existing staff so that the Museum may maintain the same caliber of programming and educational outreach it provides now, and meet some of the increased demands for services. As the existing staff becomes more involved in the exhibit design process, these positions will be able to carry on the museums programming that the Museum's state-wide audience has come to respect and rely upon.

All the positions will be developing exhibit and programs for the new Museum as well as providing existing and increasing programs in the current facility. Some critical issues that will be addressed by these new positions are: for the first time the Museum will have a coordinator for the over 100 volunteers at the Museum (an increasing number that will double with the new Museum); for the first time the Museum will have a weekend curator (currently the Museum has only one receptionist and guard on full-time duty on the weekends, a security and safety risk); an expert curator to develop the complex living communities planned for the Conservatory and Roof-top Garden; and an expert curator to care for the Museum's living collections.

North Carolina State Museum of Natural Sciences

List of Salary Needs for FY 1997-1998 and 1999-2000

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1211 Salaries	Grade	1997-98	1998-99	1999-2000
		395,847	**908,541**	**937,883**
7-97(1) Accounts Payable Clerk	65	23,831	23,831	23,831
7-97(2) Exhibit Designers	67	52,716	52,716	52,716
7-97(1) Admin.Assts.	65	23,831	23,831	23,831
7-97(1) Animal Specialist	70	29,449	29,449	29,449
7-97(1) Curator for Conservatory	70	29,449	29,449	29,449
7-97(1) Distance Learning Curator	70	29,449	29,449	29,449
7-97(1)Administrative Assistant	65	23,831	23,831	23,831
7-97(1)Curator for Birds	70	29,449	29,449	29,449
7-97(1)Curator II Paleontology	75	36,573	36,573	36,573
7-97(1)Curator I Lower Vertebrates	72	32,016	32,016	32,016
7-97(1)Curator I Fish	72	32,016	32,016	32,016
7-97(1)Chief Librarian	69	28,172	28,172	28,172
7-97(1)Administrative Asst.	67	25,065	25,065	25,065
7-98(2) Curator Exh.Hall Prog.	70		58,898	58,898
7-98(1) Curator Adult/Family	70		29,449	29,449
7-98(1)Bio. Survey Curator II	75		36,573	36,573
7-98(1)Administrative Asst.	65		23,831	23,831
7-98(1)Head of Security	63		22,015	22,015
7-98(1)Curator Program Outreach	70		29,449	29,449
7-98(1)Curator Naturalist Center	70		29,449	29,449
7-98(1)Paleontology/Geo.Curator	70		29,449	29,449
7-98(1)Biostatistician	70		29,449	29,449
7-98(1)Registrar	70		29,449	29,449
7-98(1)Lower Vertebrate Cur/.	70		29,449	29,449
7-98(1)Invertebrate Curator	70		29,449	29,449
7-98(1)Development Officer	72		32,016	32,016
7-98(1)Infor.& Comm.Spec.	72		32,016	32,016
3-99(2)Receptionist	61		13,557	27,114
3-99(1)Weekend Manager	68		9,006	18,012
3-99(1)Guard/Greeter	61		6,779	13,558
1-99(1)Curator of Exh.Hall	70		14,724	14,724
1-99(1)Curator Youth/Special Pop.	70		14,724	14,724
1-99(1)Assistant Librarian	67		12,963	12,963
1311 - Temporary Wages		100,000	100,000	100,000
1511 - Social Security		37,932	77,153	79,398
1521 - Retirement		42,870	98,395	101,573
1521 - Medical Insurance		24,304	62,496	62,496
2199 - Misc Contracts		18,328	46,745	46,745
Subtotal-Salary & Fringes		**619,281**	**1,293,330**	**1,328,095**

	1997-98	1998-99	1999-2000
2210-electric	800	800	800
2390-other repairs	2,000	2,000	2,000
2490-maintenance agreements	6,000	8,000	8,000
2590-other rent	1,000	1,000	1,000
2712-air out of state	6,000	18,000	16,000
2714-ground in state	6,000	18,000	16,000
2715-ground out state	6,000	18,000	16,000
2721-lodging in state	6,000	18,000	16,000
2722-lodging out state	6,000	18,000	16,000
2724-meals in state	6,000	18,000	16,000
2725-meals out state	6,000	18,000	16,000
2727-misc in state	2,000	3,000	3,000
2728-misc out state	2,000	3,000	3,000
2811-telephone	12,000	20,000	20,000
2814-cellular phone	2,000	2,000	2,000
2821-computer/data processing service	2,000	3,000	3,000
2840-postage	6,250	21,750	18,000
2850-printing/binding	15,000	25,000	25,000
2860-advertising	10,000	10,000	10,000
2912-vehicle insurance	1,000	1,000	1,000
2930-registration fees	5,000	15,000	12,000
2942-other employee training	3,000	4,000	4,000
3110-general office supplies	13,000	35,000	32,000
3130-photo supplies	15,000	17,000	17,000
3150-security/safety supplies	3,000	4,000	4,000
3190-other administrative supplies	5,000	5,000	5,000
3210-janitorial supplies	5,000	7,000	7,000
3240-carpentry/hardware supplies	25,000	55,000	55,000
3250-ag/animal supplies	20,000	30,000	30,000
3310-gasoline	3,000	3,000	3,000
3410-food	9,000	12,000	12,000
3510-clothing and uniforms	4,000	6,000	6,000
3710-scientific supplies	20,000	45,000	45,000
3720-educational supplies	20,000	45,000	45,000
3900-other supplies	10,000	15,000	15,000
4511-office furniture	4,000	8,000	8,000
4522-computer equipment	25,100	54,600	54,600
4539-other equipment	8,000	42,000	40,000
4710-computer software	2,000	4,000	4,000
5830-membership dues	1,000	4,000	4,000
5900-other expenses	3,000	13,000	13,000
Total Operating Funds	**307,150**	**650,150**	**624,400**
Total Reserve for Operating and Salary Items	**926,431**	**1,943,480**	**1,952,495**

N.C. State Museum of Natural Sciences
Justification for Positions
in
Fiscal Year 1997-98

1997-98 Salary Needs
Total amount including fringe = $619,281
(The following positions are slated to begin in July of 1997)

Accounts Payable Clerk **$23,831**

DEHNR's Controllers Office has the Museum scheduled to begin 'direct pay' to all vendors beginning in Fall 1997. We must have a full-time position to handle this significant additional fiscal responsibility.

2 Exhibit Design Technicians **$26,358 each**

The technicians will be responsible for a wide variety of design assignments which include drafting, modeling, building, construction, typography, computer graphics, and traveling exhibits for forestry and geology. The design technicians must work in tandem with the exhibit designers while exhibits are developed, constructed, tested, and installed. The technicians must be able to produce scientifically accurate representations and high-quality products.

Animal Specialist **$29,449**

This curator of living collections will assist the coordinator in the care of living specimens on exhibit, including venomous species, and those which are used in statewide community outreach programs and in exhibit hall programs. With the increase in these programs our living collections will double. Since our programming efforts utilize living specimens to a great degree it is important that the living material is obtained, housed, and prepared for programming before the opening of the new museum. This position will also be charged with purchasing and maintaining materials such as field equipment, animal maintenance supplies, biological specimens and scientific equipment.

Administrative Assistant **$23,831**

The school programs section has 14 full-time staff and no administrative assistant. This position has diverse responsibilities requiring the employee to assist in budget tracking, secretarial/clerical duties, scheduling, etc., and its role is critical in the smooth and efficient running of the section. We would like to insure that this position is implemented in **JULY OF 1997.** If the position were not to be filled, school programs would be the ONLY section of the museum not to have administrative support.

Curator for the Conservatory **$29,449**

Due to the unique demands for planning and developing the Tropical Conservatory in the new Museum, we need this position now. There is a need to work out and meet the requirements for a variety of exotic plants and animals that will be featured in this living exhibit.

Distance Learning Curator **$29,449**

Position must develop programs for the new distance learning classroom, develop funding sources, and investigate potential for cooperative ventures with other agencies providing educational services using technology. Many of the duties associated with this position will be directly affected by the construction on the new museum - this position will be proficient in using the information highway, make contacts with public television for satellite broadcasts, and be capable of coordinating information for disbursal on the internet. This position will directly affect decisions on equipment, wiring, and other technologies needed to produce these specialized types of programs for the Museum. As a result of the significant lead time required to develop this type of service it is critical to hire this position **at least as early as July, 1997.**

Administrative Assistant **$23,831**

The Exhibits section now has a staff of 12 people, with no administrative assistant. The section is in great need of administrative support for budgeting, secretarial/clerical duties, and a variety of functions which will allow the section to perform its work smoothly and efficiently.

Curator for Birds **$29,449**

This curator is necessary to provide bird collection management, support, oversight and technical assistance. The existing collection is not fully catalogued and processed, and data from unprocessed material are unavailable for analysis. At the present time there are 3 temporary/part-time people working to achieve completion of this portion of our mandate; with the upcoming move into new quarters, and increased responsibilities within the state system, this position is critical for the 1997-1998 fiscal year.

Curator II of Paleontology **$36,573**

At present, this position is a "job share" between NC State University and the Museum. The position has been housed and supported by NCSU for the last 2 years and will be transferred to the Museum in July/August, 1997. The salary for the curator will be supplemented by NCSU.

Curator I of Invertebrates **$32,016**

This position is essential for organizing and preparing to move the crustacean collection into the new Wet Collections Facility. The N.C. State Museum recently received a major addition to the crustacean collection from the University of North Carolina that needs immediate attention to stabilize and prepare it for the move into the new facility to be completed by October 1997. This position is also needed to handle pressing systematic and resource management needs with North Carolina's crustacean fauna. The Museum has a significant collection that has been uncurated since 1985.

Curator I of Fish **$32,016**

The Museum recently received a donation of 350,000 fish specimens from the Institute of Marine Sciences, University of North Carolina. Incorporation of that collection into our

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database is a monumental task but the benefit of having the materials is incalculable. As the museum increases its holdings of vouchered (documented as to time and place) materials, its stature within the state, the southeast, and the nation will likewise increase. With commercial and sport interest in fishes, coupled with water quality and species diversity issues, the importance and urgency for this position grows exponentially.

Administrative Assistant **$25,065**

The External Affairs section has been developed only over the last two years. It now has a staff of five people responsible for public relations, publications, and fund-raising for the Museum. This is the first time that public relations and fund-raising for the Museum has been conducted on a statewide scale that will be its future area of operation. This position will handle all meeting scheduling for department staff, which includes contact with agencies outside the Museum. This position will also be responsible for departmental budget projections and controls. In addition, the position will write grant proposals for the Museum to secure funding for operating projects.

Chief Librarian **$28,172**

The chief librarian will be responsible for consolidating the library collection (currently housed in three different facilities), acquiring a Naturalist Center reference library, and answering requests for information from an increasing staff and an inquisitive public. In addition, the librarian will be essential to maintaining the planned exhibit schedule in order to acquire and provide appropriate photographs and other documentation for the exhibits in their planning phases. This position should be brought on in July of 1997 (or January of 1998, at the latest).

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N.C. State Museum of Natural Sciences
Justification for Positions
in
Fiscal Year 1998-99

1998-99 Salary Needs
Total Amount including fringe = $782,019

positions to be implemented in July, 1998

Head of Security (Visitor Services) **$22,015**
This position will be responsible for supervising three (3) full-time security guards, three (3) receptionists, and one (1) weekend manager. Given these increased responsibilities, as well as a new security system (cameras and monitors) to monitor a facility and exhibits valued at approximately $50 million, a head of security is a necessity in the fiscal year 98-99. In addition, during move of invaluable collections and exhibits from the old Museum to the new facility, security will become even more critical.

Curator of the Naturalist Center **$29,449**
The Naturalist center in the new Museum will require the acquisition, cataloguing, and preparation of thousands of objects and specimens for display. This completely new exhibit will require a great deal of planning prior to the opening of the building, and this position will serve a critical role in the Naturalist Center after the Museum's opening.

Paleontology/Geology Curator **$29,449**
The lack of curatorial and technical support in this section of the museum extends back through the 1960s. While unstaffed, however, the section continued to acquire material which was simply stored (not processed). With the opening of the new facility, we will be organizing and preparing these collections for research and public use and anticipate a great need for technical assistance to the education and public program areas.

Biostatistician-Computer Consultant **$29,449**
With the advent of increased and almost universal access to computers, this position will provide program-wide computer support to the Research and Collections staff of the museum. It is required to provide custom programming for specific data retrieval and processing needs not generally available off-the-shelf, and to assist with geographic information system (GIS) data entry. Through GIS, individual specimens (or records) may be easily entered – automatically – on maps overlain with other data (highways, housing developments, river systems, etc.).

Registrar **$29,449**
The registrar's functions are currently performed by committee, an inefficient and unwieldy method for accounting for the Museum's large and expanding collection. As we prepare to move

a variety of collections, to acquire others, and to keep track of existing data, this job will be pivotal. We need to have a trained specialist to maintain accurate records of collection acquisitions and disbursal and to coordinate these efforts in the new facility.

Lower Vertebrate Technician **$29,449**

This position will have responsibility for cataloging, curating, and managing collections in both the fish and reptile and amphibian sections. With 350,000 fish having recently arrived, and with several reptile/amphibian collections earmarked or on-their-way to this museum, the respective curators are in need of full-time support as soon as possible. Seasonal, volunteer, and contract help is currently working in this capacity; each personnel change requires staff time for training and over-the-shoulder supervision. Permanent staffing in this area is critical to efficient management.

Invertebrate Technician **$29,449**

This position will be responsible for cataloging, curating, and managing collections for the invertebrate curatorial staff. The respective curators are in need of full-time support as soon as possible. With the restructuring of our invertebrate sections, technical support for prioritizing collection needs and managing current data processing is essential.

Development Officer **$32,016**

This position is assistant to the Director of External Affairs for fund-raising. Responsibilities include tracking pledge fulfillment on gifts to the Campaign for New Exhibits, totaling $8 million in corporate gifts, and an additional $2 million in capital gifts and new memberships over the next three years. This position will also be responsible for grant writing for capital projects, both up to the opening of the new Museum and after. Funding for traveling exhibits and exhibit maintenance will need to be found. These functions are currently being paid for by funds from the capital campaign.

Information and Communication Specialist II **$32,016**

Scientific publications for scientific and popular journals are essential to the Museum's mission of disseminating knowledge about North Carolina's natural history to scientists, teachers, school children, and the general public. It is increasingly important that reliable scientific information on environmental issues be made available, and that the results of the work of the Museum's scientists be distributed widely. The Museum needs a full-time editor to work with research staff on the production of these papers. Currently, this work is being contracted out.

2 Curators of Exhibit Hall Programs **$29,449 each**

These positions will be delivering interpretive programing to visitors in the exhibit halls of the museum from one hour after opening to one hour before closing seven days a week. Before the new museum opens, they will recruit and train a volunteer and contract worker force which will also be delivering programs in the exhibit halls. They will need to design and prepare for delivery of a large number of programs for the exhibit hall, the auditorium and other specially designed interpretive areas throughout the new museum before the museum opens. These programs are hands-on interactive programs and involve the acquisition of large amounts of material, living

animals as well as multi-media components. It is important that these positions are filled well before the opening of the new museum so that all materials and programs will be in place and program areas in the museum will not be lying empty.

Biological Survey Curator II **$36,573**

Systems ecology data and environmental research are essential to making intelligent policy decisions regarding the state's natural resources. This curator will work with research and collections staff to integrate the museum's collection data into a national database, and to incorporate data regarding the state's fauna and flora held elsewhere (other national/international museums and collections) into a database accessible to the NC State Museum. The curator will also "cleanse" our databases of sensitive information (exact localities from which endangered, threatened, or special concern species may be found) and provide access to this "edited" data file to the library and general public at large. This position will conduct and coordinate scientific research focused on ecological projects that address high-profile environmental issues.

Curator of Adult and Family Outreach **$29,449**

As part of family programming, this position is needed for the development of major presentations in the auditorium, such as the lecture series for adults and family, live theater on natural history themes, specially formatted N.C. Symphony concerts and other related events that will require extensive coordination with outside agencies. These programs may require substantial modification of the auditorium facilities as early in the planning stages as possible, to insure adequate facilities for the purpose. This position is also charged with arranging and developing local and international field trips, which are hands-on and involve working through a process such as propagating plants or implementing a wildlife sanctuary. The position needs to be filled on schedule in order to allow for training of volunteers and contractors, development and design of programs, and design and modification of facilities as they are being constructed. It is imperative to implement this position in **July of 1998.**

Curator of Program Outreach **$29,449**

This position will allow us to continue services that were made possible by our National Science Foundation grant for the UTOTES program. This grant will be ending in June of 1998, but we intend to continue to provide this award-winning educational program at schools across the state. This position will also allow us to expand teacher education opportunities associated with the opening of the new facility. This program is directed at schools; therefore, it is crucial that the position be fully operational for the beginning of the school year in **July of 1998**- many schools make plans for the entire year even before the semester begins, and we need to be able to take advantage of this planning period.

Administrative Assistant **$23,831**

The Director of Administration currently has no full-time clerical assistance, and a staff of 12 right now. This position has diverse responsibilities requiring the employee to assist in data entry, scheduling, coordinating, filing, correspondence, and budget in order to promote an effective and

efficient flow of information throughout the organization. We need to have this position by **July of 1998** in order to continue operations smoothly with a further influx of new staff and facilities.

positions to be implemented in January, 1999

Curator of Exhibit Hall **$29,449**

This position will be in charge of delivering programs in the exhibit halls to visitors between the hours of 9 am to 4 pm, seven days a week. This position will also help train volunteers and contractors in implementing programs as well as obtaining materials used in programming, especially audio/ visual and craft materials which are used extensively. Filling this position on schedule is important in having our exhibit hall programs ready for the new museum. These positions require materials, trained contractors and volunteers to be in place. There are numerous interpretive areas designed in the plans of the new museum. They will be virtually unused without proper staffing.

Curator of Youth and Special Populations **$29,449**

This position is responsible for delivering programs to children and special populations. The section has an extensive children's program, including regular Saturday offerings, 32 week-long summer programs (most half day), a summer field camp lasting six weeks, programs for very young children, and week-long field trips to the coast. This position will expand programming for children into vacation or "track out" periods for year-round schools, as well as after school programs during the week. Special populations include the physically and mentally handicapped, the financially challenged, minorities, rural and inner city populations, migrant labor communities and senior citizens. This position will greatly expand programming for these groups. Implementation of this position on schedule will allow for the planning and preparation of the above on-going programs for the opening of the new museum.

Assistant Librarian **$25,927**

The assistant librarian will maintain and document a currently uncatalogued slide collection and will assist the chief librarian in the acquisition of new materials, conservation of existing collections, and in providing service to the public and staff.

Positions to be implemented in March, 1999

2 Receptionists **$20,336 each**

These two (2) positions will be needed at least three (3) months prior to the Museum opening to the general public so that they may be given intense training on visitor/customer service-related duties. They will be the public's first contact with the Museum, and we need to be assured that they are prepared to handle all aspects of visitor services. These positions will be critical to the public's overall perception of the Museum. They will also assist in the handling of more than 400 telephone calls each day.

Weekend Manager **$27,017**

The volume of visitors is expected to double when we open the new Museum. The Museum has

never had a managerial-level staff person to handle unforseen problems that may arise during the weekends, supervise visitor services staff and special events, and coordinate facility management issues.

Guard/Greeter **$20,336**

This position must be filled in fiscal year 98-99 to protect existing invaluable research and collections specimens during our transition from our old to new facility. We have and will continue to employ an individual in this position through temporary wages. Full-time duties are already clearly justifiable.

Handout (1) Distributed

May 7, 1997

DIVISION OF FOREST RESOURCES
COMMUNICATION BUDGET SUMMARY

95-97 Biennium **$500,000** Completed replacement of mobile and portable radios for field personnel .

Completed 95% of statewide high band / microwave system - enables direct communications from remote locations to field offices

Installed cabling and routers at district level for wide area network

97-99 Biennium Budget Reductions and Impact

$200,000 Will slow final completion of statewide high band microwave radio system but will be able to complete system and maintain it. Will delay completion of WAN at district offices and installation of "on line" computer equipment at county offices.

$140,000 Reduction will limit funds to maintain existing statewide highband / microwave system. Increased delays in WAN and "on line" computer capability at district and county levels.

Additional reductions will result in insufficient funds for maintenance of statewide high band / microwave system. No funds for WAN installation or maintenance at district offices. No funds for "on line " computer capability at county level.

$500,000 Reduction in Vehicle Replacement — Senate
6.7 Vehicles Delayed — in term of replacement —

* 97-98

** 98-99

LICENSED MOTOR VEHICLE PURCHASE SCHEDULE
(For continuation requests only)

Section 5
Attachment 8

(Due 9/30/96)

Department DEIINR Division or Institution Forest Resources Budget Code 14300

	FUND	ACCOUNT	MAKE, TYPE, AND YEAR MODEL	DATE PURCHASED (MONTH AND YEAR)	ESTIMATED MILEAGE AS OF 6-30-97	1997-98 TOTAL COST	1997-98 TRADE-IN VALUE** (IF APPLICABLE)	1998-99 TOTAL COST	1998-99 TRADE-IN VALUE** (IF APPLICABLE)
*	12102201	534541	1986 GMC MECHANIC TRUCK 3/4 TON, 2WD	Dec-86	85,000	20,900	1,600		
**	12102201	534541	1990 DODGE MECHANIC TRUCK 3/4 TON, 2WD	Nov-90	73,500			20,900	1,600
**	12102201	534541	1990 DODGE MECHANIC TRUCK 3/4 TON, 2WD	Nov-90	69,000			20,900	1,600
	12102201	534541	1989 DODGE VAN 1/2 TON	Oct-89	105,000	18,664	1,000		
**	12102201	534541	1988 CHEVROLET COMPACT 2WD	Sep-88	49,000			15,046	1,200
**	12102201	534541	1991 CHEVROLET COMPACT 2WD	Apr-90	71,000			15,046	1,200
**	12102201	534541	1991 CHEVROLET COMPACT 2WD	Apr-90	69,000			15,046	1,200
**	12102202	534541	1989 CHEVROLET TRUCK 1/2 TON	Apr-89	52,000			18,568	1,200
	12102202	534541	1987 CHEVROLET TRUCK 3/4 TON	Feb-87	105,000	24,570	1,200		
**	12102202	534541	1992 DODGE VAN 3/4 TON	Mar-92	77,000			20,280	1,200
	12102203	534541	1985 DODGE 4X4 3/4 TON	May-85	102,000	24,570	1,400		
	12102203	534541	1986 FORD 4X4 3/4 TON	Apr-86	110,000	24,570	1,400		
	12102203	534541	1990 FORD 4X4 CAB 1 TON	Jun-90	155,500	26,950	1,400		
**	12102203	534541	1990 CHEVROLET S-10 4X2	Apr-90	89,500			15,046	1,200
**	12102203	534541	1990 FORD 4X4 3/4 TON	May-90	87,000			24,570	1,400
**	12102203	534541	1990 CHEVROLET S-10 4X2	Apr-90	75,000			15,246	1,200
**	12102203	534541	1992 CHEVROLET VAN 1 TON 4X2 RADIO VAN	Apr-92	75,000			16,302	1,400
	12102204	534541	1976 GMC TANDEM TRUCK TRACTOR	Jun-76	**	60,000			
	12102204	534541	1976 GMC TANDEM TRUCK TRACTOR	Jun-76	**	60,000			
	12102204	534541	1979 BRUIN TANDEM TRUCK TRACTOR	Jun-79	**	60,000			
	12102204	534541	1980 FORD 9000 TANDEM TRUCK TRACTOR	Jun-80	**	60,000			
	12102204	534541	1982 BRIGADIER TEN WHEELER	Jul-82	**	80,000			
	12102204	534541	1979 TANDEM TRUCK	Jun-79	**	60,000			
	12102204	534541	1980 TANDEM TRUCK	Jun-80	**	60,000			
	12102204	534541	1979 BRUIN TANDEM TRUCK	Jun-79	**	60,000			
	12102204	534541	1979 BRUIN TANDEM TRUCK	Jun-79	**			60,000	
	12102204	534541	1980 HIC TANDEM TRUCK	Jun-80	**			60,000	
	12102204	534541	1980 HIC TANDEM TRUCK	Jun-80	**			60,000	
	12102204	534541	1981 HIC TANDEM TRUCK	Jun-81	**			60,000	
*	12102013*	534541	1990 FORD 4X4 3/4 TON	Oct-90	92,000	24,570	1,400		
*	12102017*	534541	1990 CHEVROLET 4X4 3/4 TON	Oct-90	92,000	24,570	1,400		

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LICENSED MOTOR VEHICLE PURCHASE SCHEDULE
(For continuation requests only)

Section 5
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(Due 9/30/96)

Department DEHNR Division or Institution Forest Resources Budget Code 14300

	FUND	ACCOUNT	MAKE, TYPE, AND YEAR MODEL	DATE PURCHASED (MONTH AND YEAR)	ESTIMATED MILEAGE AS OF 6-30-97	1997-98 TOTAL COST	1997-98 TRADE-IN VALUE** (IF APPLICABLE)	1998-99 TOTAL COST	1998-99 TRADE-IN VALUE** (IF APPLICABLE)
*	12102201	534541	1986 GMC MECHANIC TRUCK 3/4 TON, 2WD	Dec-86	85,000	20,900	1,600		
	12102010	534541	1988 CHEVROLET 4X4 3/4 TON	Aug-88	105,000	24,570	1,400		
**	12102018*	534541	1989 FORD 4X4 3/4 TON	Apr-89	70,000			24,570	1,400
**	12102016*	534541	1991 FORD 4X4 3/4 TON	Sep-91	55,000			24,570	1,400
**	12102011*	534541	1993 FORD 4X4 3/4 TON	Oct-93	85,000			24,570	1,400
**	12102010	534541	1990 CHEVROLET 4X4 1/2 TON	Oct-90	80,000			18,568	1,200
**	12102010	534541	1989 FORD 4X4 3/4 TON	May-89	75,000			24,570	1,400
**	12102010	534541	1989 CHEVROLET 4X4 1/2 TON	Dec-89	75,000			19,800	1,200
**	12102010	534541	1989 CHEVROLET 4X4 1 TON	Jun-89	70,000			26,950	1,400
	12102223*	534541	1984 FORD BRONCO 4X4	Jul-84	142,000	26,280	1,400		
	12102013*	534541	1984 FORD BRONCO 4X4	Jul-84	140,000	26,280	1,400		
	12102035*	534541	1989 CHEVROLET 4X4 1 TON	Mar-89	100,000	26,950	1,400		
	12102026*	534541	1989 CHEVROLET 4X4 1 TON	Mar-89	100,000	26,950	1,400		
	12102028*	534541	1989 CHEVROLET 4X4 1 TON	Mar-89	100,000	26,950	1,400		
	12102022*	534541	1990 FORD 4X4 3/4 TON	Mar-90	100,000			24,570	1,400
	12102026*	534541	1990 FORD 4X4 3/4 TON	Mar-90	100,000			24,570	1,400
**	12102025*	534541	1991 FORD 4X4 3/4 TON	Mar-91	95,000			24,570	1,400
**	12102027*	534541	1991 FORD 4X4 3/4 TON	Mar-91	95,000			24,570	1,400
	12102020	534541	1990 FORD 4X4 3/4 TON	Mar-90	100,000			24,570	1,400
	12102034*	534541	1990 CHEVROLET 4X4 3/4 TON	May-90	131,700	24,570	1,400		
	12102032*	534541	1988 CHEVROLET 4X4 3/4 TON	Apr-88	127,616	24,570	1,400		
	12102037*	534541	1990 CHEVROLET 4X4 3/4 TON	May-90	123,058	24,570	1,400		
	12102031*	534541	1988 CHEVROLET 4X4 3/4 TON	Apr-88	122,222	24,570	1,400		
	12102030	534541	1990 CHEVROLET 4X4 3/4 TON	May-90	118,192	24,570	1,400		
	12102034*	534541	1989 CHEVROLET 4X4 3/4 TON	Apr-89	117,346	24,570	1,400		
	12102036*	534541	1991 FORD 4X4 3/4 TON	Apr-91	115,440	24,570	1,400		
	12102033*	534541	1988 CHEVROLET 4X4 3/4 TON	Apr-88	115,218	24,570	1,400		
	12102030	534541	1989 CHEVROLET 4X4 3/4 TON	Apr-89	111,750	24,570	1,400		
	12102035*	534541	1989 CHEVROLET 4X4 3/4 TON	Apr-89	110,385	24,570	1,400		
	12102037*	534541	1991 FORD 4X4 3/4 TON	Apr-91	108,385	24,570	1,400		
	12102034*	534541	1991 FORD 4X4 3/4 TON	Apr-91	107,500	24,570	1,400		

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LICENSED . /R VEHICLE PURCHASE SCHEDULE
(For continuation requests only)

Section 5
Attachment 8

(Due 9/30/96)

Department DEHNR Division or Institution Forest Resources Budget Code 14300

	FUND	ACCOUNT	MAKE, TYPE, AND YEAR MODEL	DATE PURCHASED (MONTH AND YEAR)	ESTIMATED MILEAGE AS OF 6-30-97	1997-98 TOTAL COST	1997-98 TRADE-IN VALUE** (IF APPLICABLE)	1998-99 TOTAL COST	1998-99 TRADE-IN VALUE** (IF APPLICABLE)
*	12102201	534541	1986 GMC MECHANIC TRUCK 3/4 TON, 2WD	Dec-86	85,000	20,900	1,600		
	12102030	534541	1988 CHEVROLET 4X4 3/4 TON	Apr-88	107,389	24,570	1,400		
	12102030	534541	1990 CHEVROLET 4X4 3/4 TON	May-90	105,997	24,570	1,400		
	12102030	534541	1989 CHEVROLET 4X4 3/4 TON	Apr-89	101,343	24,570	1,400		
*	12102038*	534541	1992 CHEVROLET 4X4 3/4 TON	Apr-92	97,000	24,570	1,400	**	
	12102033*	534541	1989 CHEVROLET 4X4 3/4 TON	Apr-89	116,437			24,570	1,400
	12102031*	534541	1989 CHEVROLET 4X4 3/4 TON	Apr-89	116,081			24,570	1,400
	12102035*	534541	1992 CHEVROLET 4X4 3/4 TON	Apr-92	108,532			24,570	1,400
	12102032*	534541	1992 FORD 4X4 3/4 TON	Apr-92	104,489			24,570	1,400
	12102038*	534541	1993 CHEVROLET 4X4 3/4 TON	May-93	103,750			24,570	1,400
	12102043	534541	1989 CHEVROLET 4X4 3/4 TON	Oct-89	113,000	24,570	1,400		
	12102047*	534541	1989 CHEVROLET 4X4 3/4 TON	Oct-89	103,000	24,570	1,400		
	12102041*	534541	1992 CHEVROLET 4X4 3/4 TON	Sep-92	100,000	24,570	1,400		
-	12102044*	534541	1991 FORD 4X4 3/4 TON	Sep-91	69,000			24,570	1,400
-	12102042*	534541	1993 CHEVROLET 4X4 3/4 TON	Oct-93	68,000			24,570	1,400
-	12102043*	534541	1993 CHEVROLET 4X4 3/4 TON	Oct-93	64,000			24,570	1,400
	12102046*	534541	1991 FORD 4X4 3/4 TON	Sep-91	105,000	24,570	1,400		
* *	12102047*	534541	1991 FORD 4X4 3/4 TON	Sep-91	83,000			24,570	1,400
	12102040	534541	1989 CHEVROLET 4X4 3/4 TON	Dec-89	100,000	24,570	1,400		
**	12102040	534541	1991 CHEVROLET 1/2 TON 2WD	Oct-90	75,000			15,046	1,200
**	12102040	534541	1992 FORD 3/4 TON 2WD	Sep-92	74,000			20,900	1,200
	12102051*	534541	1988 CHEVROLET 4X2 3/4 TON	Apr-88	117,000	20,902	1,200		
	12102054*	534541	1990 FORD 4X4 1 TON	Apr-90	120,000	26,950	1,400		
	12102055*	534541	1988 CHEVROLET 4X2 3/4 TON	Apr-88	115,000	20,900	1,200		
	12102056*	534541	1987 CHEVROLET 4X2 3/4 TON	Apr-87	155,000	20,900	1,200		
	12102057*	534541	1987 CHEVROLET 4X2 3/4 TON	Apr-87	123,000	20,900	1,200		
	12102058*	534541	1988 CHEVROLET 4X2 3/4 TON	Apr-88	138,500	20,900	1,200		
	12102057*	534541	1988 CHEVROLET 4X4 3/4 TON	Apr-88	125,000			24,570	1,200
	12102058*	534541	1988 CHEVROLET 4X2 3/4 TON	Apr-88	150,000	20,900	1,200		
	12102060	534541	1988 CHEVROLET 4X2 MECHANIC	May-88	115,000	26,950	1,600		
	12102221	534541	1989 CHEVROLET 4X2	Apr-89	130,000	20,900	1,200		
	12102065*	534541	1990 CHEVROLET 4X4	Apr-90	130,000	24,570	1,200		

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LICENSED MOTOR VEHICLE PURCHASE SCHEDULE
(For continuation requests only)

Section 5
Attachment B

(Due 9/30/96)

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*	12102201	534541	1986 GMC MECHANIC TRUCK 3/4 TON, 2WD	Dec-86	85,000	20,900	1,600		
	12102062*	534541	1991 FORD 4X4	Apr-91	130,000	24,570	1,200		
	12102066*	534541	1991 FORD 4X4	Apr-91	135,000	24,570	1,200		
	12102061*	534541	1991 FORD 4X4	Jul-91	115,000	24,570	1,200		
	12102060	534541	1988 CHEVROLET 4X2 MECHANIC	May-88	130,000	26,950	1,600		
	12102062*	534541	1990 CHEVROLET 4X4	Apr-90	120,000	24,570	1,200		
**	12102063*	534541	1990 CHEVROLET 4X4	May-90	95,000			24,570	1,200
	12102064*	534541	1990 CHEVROLET 4X4	Apr-89	110,000	24,570	1,200		
	12102065*	534541	1991 FORD 4X4	Apr-91	115,000	24,570	1,200		
	12102066*	534541	1990 DODGE 4X4	Jun-90	100,000	24,570	1,200		
	12102221	534541	1987 CHEVROLET 4X4	Apr-87	100,000			24,570	1,200
**	12102063*	534541	1992 CHEVROLET 4X4	Mar-92	95,000			24,570	1,200
**	12102072*	534541	1991 FORD 2X4 3/4 TON	Apr-91	66,000			24,570	1,200
**	12102074*	534541	1992 CHEVROLET 4X4 3/4 TON	Feb-92	71,000			24,570	1,400
**	12102070	534541	1992 FORD RANGER 1/2 TON	Jun-92	70,000			15,046	1,200
	12102085*	534541	1988 CHEVROLET 4X4 3/4 TON	Feb-88	165,000	24,570	1,400		
	12102080	534541	1988 CHEVROLET 4X4 1 TON	Feb-88	150,000	26,950	1,400		
	12102080	534541	1988 CHEVROLET MECHANIC 3/4 TON	Feb-88	115,000	24,570	1,600		
	12102080	534541	1987 CHEVROLET 4X4 3/4 TON	Feb-88	125,000	24,570	1,400		
* *	12102222	534541	1988 DODGE 1/2 TON	Feb-88	85,000			26,950	1,200
**	12102222	534541	1988 DODGE 1/2 TON	Feb-88	85,000			26,950	1,200
**	12102086*	534541	1989 CHEVROLET 4X4 1 TON	Feb-89	80,000			26,950	1,400
	12102080	534541	1989 CHEVROLET 3/4 TON	Feb-89	140,000	20,900	1,200		
	12102081*	534541	1990 FORD 4X4 3/4 TON	Feb-90	130,000	24,570	1,400		
	12102084*	534541	1990 FORD 4X4 3/4 TON	Feb-90	110,000	24,570	1,400		
* *	12102080	534541	1990 DODGE MECHANIC 3/4 TON	Feb-90	82,000			26,950	1,600
	12102080	534541	1990 CHEVROLET 3/4 TON	Feb-90	150,000	20,900	1,200		
	12102080	534541	1990 CHEVROLET 4X4 3/4 TON	Feb-90	135,000	24,570	1,400		
	12102081*	534541	1991 FORD 4X4 3/4 TON	Feb-91	100,000	24,570	1,400		
* *	12102084*	534541	1991 FORD 4X4 3/4 TON	Feb-91	90,000			24,570	1,400
	12102085	534541	1991 FORD 4X4 3/4 TON	Feb-91	150,000	24,570	1,400		
	12102083	534541	1992 CHEVROLET 4X4 3/4 TON	Feb 92	115,000	24,570	1,400		
**	12102080	534541	1992 FORD MECHANIC 3/4 TON	Feb-92	70,000			26,950	1,600

LICENSED MOTOR VEHICLE PURCHASE SCHEDULE

(For continuation requests only)

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(Due 9/30/96)

Department DEHNR Division or Institution Forest Resources Budget Code 14300

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*	12102201	534541	1986 GMC MECHANIC TRUCK 3/4 TON, 2WD	Dec-86	85,000	20,900	1,600		
**	12102082*	534541	1993 CHEVROLET 4X4 3/4 TON	Feb-93	77,000			24,570	1,400
**	12102083*	534541	1994 CHEVROLET 4X4 3/4 TON	Feb-94	75,000			24,570	1,400
	12102095*	534541	1986 FORD 4X4 3/4 TON	Dec-86	100,000	24,570	1,400		
	12102093*	534541	1988 CHEVROLET 4X4 3/4 TON	Nov-88	100,000	24,570	1,400		
	12102097*	534541	1987 CHEVROLET 4X4 3/4 TON	Sep-87	100,000			24,570	1,400
	12102090	534541	1989 FORD 4X4 3/4 TON	Jan-90	100,000			24,570	1,400
	12102107*	534541	1992 CHEVROLET 4X4 3/4 TON	May-92	102,000	24,570	1,400		
*	12102109*	534541	1992 FORD 4X4 3/4 TON	May-92	92,000	24,570	1,400		
**	12102202	534541	1992 DODGE VAN 3/4 TON	Apr-92	77,000			20,900	1,200
	12102100	534541	1989 CHEVROLET 3/4 TON	Apr-89	131,000	20,900	1,200		
**	12102100	534541	1988 CHEVROLET 4X4 3/4 TON	May-88	81,000			24,570	1,400
**	12102101*	534541	1993 FORD 4X4 3/4 TON	Apr-93	68,000			24,570	1,400
**	12102103*	534541	1993 FORD 4X4 3/4 TON	Apr-93	77,000			24,570	1,400
**	12102104*	534541	1993 FORD 4X4 3/4 TON	Apr-93	69,000			24,570	1,400
*	12102106*	534541	1993 CHEVROLET 4X4 3/4 TON	May-93	90,000	24,570	1,400		
**	12102155*	534541	1993 CHEVROLET 4X4 3/4 TON	May-93	74,000			24,570	1,400
	12102110	534541	1990 CHEVROLET 2X4 1/2 TON	May-90	125,000	18,568	1,200		
	12102110	534541	1990 CHEVROLET 2X4 1/2 TON	May-90	125,000	19,800	1,200		
	12102110	534541	1988 CHEVROLET 2X4 3/4 TON	Mar-88	115,000	20,900	1,200		
**	12102113*	534541	1992 CHEVROLET 4X4 3/4 TON	Apr-92	80,000			24,570	1,400
**	12102116*	534541	1992 CHEVROLET 4X4 3/4 TON	Apr-92	85,000			24,570	1,400
**	12102112*	534541	1993 CHEVROLET 4X4 3/4 TON	May-93	70,000			24,570	1,400
**	12102114*	534541	1993 CHEVROLET 4X4 3/4 TON	May-93	75,000			24,570	1,400
**	12102115*	534541	1993 CHEVROLET 4X4 3/4 TON	May-93	70,000			24,570	1,400
*	12102126*	534541	1990 FORD 4X4 3/4 TON	Apr-90	90,000	24,570	1,400		
*	12102122*	534541	1992 FORD 4X4 3/4 TON	Apr-92	91,000	24,570	1,400		
**	12102121*	534541	1992 FORD 4X4 3/4 TON	Apr-92	85,000			24,570	1,400
*	12102122*	534541	1993 FORD 4X4 3/4 TON	Apr-93	80,000	24,570	1,400		
	12102120	534541	1989 CHEVROLET 4X4 1 TON	May-90	121,000	26,950	1,400		
**	12102130	534541	1992 FORD RANGER 2X4	May-92	75,000			15,046	1,200

R-65

LICENSED MOTOR VEHICLE PURCHASE SCHEDULE

(For continuation requests only)

Section 5
Attachment 8

(Due 9/30/96)

Department DEHNR Division or Institution Forest Resources Budget Code 14300

	FUND	ACCOUNT	MAKE, TYPE, AND YEAR MODEL	DATE PURCHASED (MONTH AND YEAR)	ESTIMATED MILEAGE AS OF 6-30-97	1997-98 TOTAL COST	1997-98 TRADE-IN VALUE** (IF APPLICABLE)	1998-99 TOTAL COST	1998-99 TRADE-IN VALUE** (IF APPLICABLE)
*	12102201	534541	1986 GMC MECHANIC TRUCK 3/4 TON, 2WD	Dec-86	85,000	20,900	1,600		
	12102132*	534541	1988 CHEVROLET 4X4 3/4 TON	May-88	175,000	24,570	1,400		
	12102132*	534541	1989 CHEVROLET 4X4 3/4 TON	Jun-89	130,000	24,570	1,400		
	12102132*	534541	1989 CHEVROLET 4X4 3/4 TON	Jun-89	137,000	24,570	1,400		
	12102131*	534541	1993 CHEVROLET 4X4 3/4 TON	Jun-93	130,000	24,570	1,400		
*	12102133*	534541	1988 CHEVROLET 4X4 3/4 TON	May-88	95,000	24,570	1,400		
	12102134*	534541	1987 CHEVROLET 2X4 1/2 TON	Jun-87	155,000	18,568	1,200		
	12102134*	534541	1991 CHEVROLET 4X4 3/4 TON	Jun-91	110,000	24,570	1,400		
			Total by Fund/Account			$2,546,572	$114,800	$1,706,756	$86,200
			Less: Motor vehicles included in 1996-97 Authorized Year			$568,578	76,800	$568,578	76,800
			Less: County Receipts*			$518,134		$342,741	
			Net Amount to Worksheet 1			$1,459,860	$38,000	$795,437	$9,400

*Represents County Vehicles

** Trade-in value will be shown as estimated receipts - "Sale of Surplus Property."

Submit 6 copies on 8 1/2 x 11-inch paper.

D-5 6

not claimed

State of North Carolina
Department of Environment,
Health and Natural Resources
Division of Water Quality

James B. Hunt, Jr., Governor
Jonathan B. Howes, Secretary
A. Preston Howard, Jr., P.E., Director

DEHNR

March 5, 1997

MEMORANDUM

TO: NER Subcommittee

FROM: Preston Howard APH

SUBJECT: Risk Assessment Rules for the Underground Storage Tank Program

During the NER Subcommittee review of the continuation budget for the Division of Water Quality earlier this morning, several committee members expressed concerns related to UST risk rules that are under development by the Division and the Environmental Management Commission (EMC). I have enclosed a draft rule (along with a fact sheet that explains the draft rule) that is currently under consideration by the EMC. I had indicated that a temporary rule had already been adopted for this program, which as you know was incorrect. Because of the interest in this program, the EMC decided that we should go through the public hearing process to obtain the public's comment on these rules before the EMC takes final action to implement the rules as temporary rules. The current schedule calls for the hearing record to close on April 4, 1997. We anticipate that the hearing officers will present a recommendation to the EMC's Groundwater Committee at their July 1997 meeting. The rules should go before the full Commission at their September meeting in time for them to be adopted as temporary rules before the October 1, 1997, deadline established by Senate Bill 1317.

Please call Arthur Mouberry of the Groundwater Section at 715-6170 or me at 733-7015, ext. 203 if you have any questions, concerns or suggestions about this process, the draft risk rules, or the UST program in general.

cc: Jane Smith
Linda Rimer
Richard Rogers

P.O. Box 29535,
Raleigh, North Carolina 27626-0535
Telephone 919-733-7015

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FACT SHEET

Proposed Risk-Based Assessment and Corrective Action Rules for Petroleum Underground Storage Tanks

15A NCAC 2L.0115

What is the purpose of the rule?

Provide procedures for risk-based assessment and corrective action at leaking petroleum underground storage tank (UST) sites that consider:

- Protection of human health and the environment,
- Protection of state waters,
- Anticipated future uses of waters,
- Contaminant and site specific conditions, and
- Cost efficiency and best use of limited resources.

Which sites are covered by the rule?

- Discharges or releases from commercial or noncommercial petroleum USTs reported on or after the effective date of the rule, and
- Existing discharges or releases if site assessment has not been completed or if application of the rule will be more cost effective or more protective to human health or the environment.

Who must comply with the rule?

- Owners of USTs,
- Operators of USTs,
- Landowners seeking reimbursement from State Trust Funds for leaking USTs, and
- Any person responsible for assessment or cleanup of a petroleum UST discharge or release.

How is risk classified by the Department?

High Risk

- Water supply well contaminated,
- Water supply well threatened,
- Groundwater has potential future use as water supply,
- Explosion or fire hazard present, or
- Release poses imminent danger to human health or the environment.

Intermediate Risk

- Surface water threatened,
- Deeper aquifer that is or may be used as a drinking water supply is threatened,
- Wellhead protection area affected, or
- Gross levels of contamination are present.

Low Risk

- Not classified as high or intermediate risk, or
- Based on site-specific information, the Department determines that the discharge or release poses no significant risk to human health or the environment.

What if my site meets the criteria for more than one risk category?

The highest applicable risk category will apply. As new site-specific information becomes available, the Department may lower the risk classification as appropriate.

Prepared by DEHNR - Division of Water Quality, Groundwater Section February 28, 1997

What is required once the release or discharge is classified?

If High Risk...

- Conduct full Comprehensive Site Assessment (CSA),
- Submit Corrective Action Plan (CAP) for restoring groundwater quality to the standards specified in 15A NCAC 2L.0202,
- Use natural attenuation to the maximum extent possible, and
- Cleanup the soil.

If Intermediate Risk...

- Conduct full CSA,
- Submit CAP sufficient to protect receptors or to reduce gross levels of contamination,
- Use natural attenuation to the maximum extent possible, and
- Cleanup the soil.

If Low Risk...

- Department will notify the responsible party that "*no cleanup*", "*no further cleanup*" or "*no further action*" is required.
  Note: *No notification will be issued until soil cleanup is complete.*

What are the soil cleanup goals for my site?

If High or Intermediate Risk...

Soil contamination must be cleaned up to the lowest of the following:

- Residential or industrial/commercial cleanup level (whichever is applicable), or
- Soil to groundwater cleanup levels.

If Low Risk...

Soil contamination must be cleaned up to:

- Residential or industrial/commercial cleanup level.

What is required after site closure?

For sites where groundwater is not restored to the standards in 15A NCAC 2L.0202 and/or soil is not remediated to the most stringent cleanup levels, the following are required:

- Responsible party has a continuing obligation to report information that could result in reclassification of the discharge or release,
- Responsible party must provide notification to affected or potentially affected third parties of receipt of notice of "*no cleanup*", "*no further cleanup*" or "*no further action*", and
- Each Division of Water Quality regional office will maintain a list of all releases or discharges reported on or after the effective date of the rule and a list of all sites which receive a notice of "*no cleanup*", "*no further cleanup*" or "*no further action*" on or after the effective date of the rule.

Where can I obtain more information about the proposed rules?

On the Internet at ftp://GW_Guest@204.211.90.9/SYS/APPS/FTP/risk_doc/index.htm
or call (919) 733-8486 to request a copy of the Proposed UST Rules.

How do I comment on the Proposed Rules?

By April 4, 1997 ... Send written comments to: David Hance
EHNR-DWQ: Groundwater Section
P.O. Box 29578
Raleigh, NC 27626-0578

Fax comments to: (919)715-0588
E-mail comments to: David_Hance@mail.ehnr.state.nc.us

Prepared by DEHNR - Division of Water Quality, Groundwater Section February 28, 1997

PROPOSED AMENDMENTS

RISK BASED CORRECTIVE ACTION RULES FOR PETROLEUM UNDERGROUND STORAGE TANKS

Amendments to 15A NCAC 2L .0106 (Corrective Action), Adoption of 15A NCAC 2L .0115 (Risk Based Corrective Action for Petroleum Underground Storage Tanks), Amendments to 15A NCAC 2P .0402 (Cleanup Costs), Amendments to 15A NCAC 2N .0701 (Release Response and Corrective Action for UST Systems Containing Petroleum or Hazardous Substances - General), Amendments to 15A NCAC 2N .0707 (Release Response and Corrective Action for UST Systems Containing Petroleum or Hazardous Substances - Corrective Action Plan)

DRAFT RULES FOR PUBLIC HEARINGS ON MARCH 4, 1997, MARCH 6, 1997, AND MARCH 18, 1997

PROPOSED EFFECTIVE DATE: OCTOBER 1, 1997 PURSUANT TO LEGISLATIVE MANDATE IN SENATE BILL 1317 (1995(1996 Regular Session) C.648).

Proposed Risk Based Corrective Action Rules for Petroleum Underground Storage Tanks

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Rule 15A NCAC 2N .0707 (Release Response and Corrective Action for UST Systems Containing Petroleum or Hazardous Substances - Corrective Action Plan)	**21**

♣ *- 15A NCAC 2L .0115 is a new rule proposed for adoption in the North Carolina Administrative Code (NCAC). Remaining rules listed are proposed as amendments to the North Carolina Administrative Code.*

NOTICE OF HEARING
DEPARTMENT OF ENVIRONMENT, HEALTH, AND NATURAL RESOURCES

DIVISION OF WATER QUALITY

Notice is hereby given of a public hearings to be held by the Department of Environment, Health, and Natural Resources on behalf of the Environmental Management Commission. These hearings concern the proposed adoption of 15A NCAC 2L .0115 (*Risk Based Corrective Action for Petroleum Underground Storage Tanks*) and amendments to 15A NCAC 2L .0106 (*Corrective Action*), 15A NCAC 2P .0402 (*Cleanup Costs*), 15A NCAC 2N .0701 (*Release Response and Corrective Action for UST Systems Containing Petroleum or Hazardous Substances - General*), and 15A NCAC 2N .0707 (*Release Response and Corrective Action for UST Systems Containing Petroleum or Hazardous Substances - Corrective Action Plan*). The adoption of 15A NCAC 2L .0115 and amendments to these other rules will specify a risk based approach for the assessment and cleanup of discharges resulting from releases from petroleum underground storage tanks. These changes will also specify the conditions under which sites are required to be cleaned-up. The new rule and amendments will also establish conditions under which "reasonable and necessary" reimbursements will be made from the state's Commercial and Non-commercial Petroleum Underground Storage Tank Trust Funds. These rule changes are necessary in order to fully enact the requirements of North Carolina General Statute (NCGS) 143-215.94V and Chapter 648 of Senate Bill 1317 (1995{1996 Regular Session} C.648). This rulemaking is intended to assure that state trust fund reimbursements are continued for sites that pose the greatest risk and to reduce the demand on trust funds for those sites that are not a threat to public health or the environment. Final approval of the changes to these rules will result in the repeal of Temporary Rule amendments to 15A NCAC 2L .0106(r) and (s), that became effective on January 2, 1996. In addition, the proposed amendments are to do the following:

(1) **15A NCAC 2L . 0106 (Corrective Action):** Changes made are necessary to maintain consistency of this rule with the adoption of 15A NCAC 2L .0115. This rule is changed to specify the conditions under which persons must evaluate sites pursuant to 15A NCAC 2L .0106(k) and (l), for releases from underground storage tanks that are not governed by risk based corrective action in 15A NCAC .0115.

(2) **15A NCAC 2N .0701 (Release Response and Corrective Action for UST Systems Containing Petroleum or Hazardous Substances -General)** ***AND*** **15A NCAC 2N .0707 (Release Response and Corrective Action for UST Systems Containing Petroleum or Hazardous Substances - Corrective Action Plan):** Provides that corrective action meet the requirements of either 15A NCAC 2L .0106 or 15A NCAC 2L .0115 and specifies necessary editorial changes.

(3) **15A NCAC 2P .0402 (Rules for the Administration of the Leaking Petroleum Underground Storage Tank Cleanup Funds):** Specifies that in determining whether costs expended by an owner, operator or landowner are reasonable and necessary, the Division will consider whether the costs expended for corrective action are required under 15A NCAC 2L. This change is intended to assure that reimbursements from the Commercial and Non-Commercial Trust Funds are continued for sites that have the greatest risk.

The hearings will be held as follows:

GREENVILLE
Tuesday, March 4, 1997
7:00 P.M. - 10:00 P.M.
Pitt County Community College
Highway 11 South
Fulford Building - Room # 153

HICKORY
Thursday, March 6, 1997
7:00 P.M.
Catawba Valley Community College
2550 Highway 70- Southeast
Teaching Auditorium

RALEIGH
Tuesday, March 18, 1997
7:00 P.M.
Archdale Building
512 North Salisbury Street
Ground Floor Hearing Room

Oral comments to this rulemaking may be made during the hearing, or written statements may be submitted to the agency by April 4, 1997. Written copies of oral statements exceeding three minutes are requested. Oral statements may be limited at the discretion of the hearing officers.

Send written comments to:
David Hance
EHNR-DEM: Groundwater Section
P.O. Box 29578
Raleigh, NC 27626-0578
(919) 715-6189; FAX: (919) 715-0588
Internet E-Mail Address:
David_Hance @ mail.ehnr.state.nc.us.

The rules can be accessed electronically through the internet by contacting the following address on the command line of your web browser:

ftp://GW_Guest@204.211.90.9/SYS/APPS/FTP/risk_doc/index.htm.

These proposed rules are also available for public inspection at the locations listed below. Copies may be obtained at each location for a charge of ten cents per page.

A. Preston Howard, Jr., P.E.,
Director, Division of Environmental Management

Dept. of Environment,
Health, and Natural Resources
Div. of Water Quality
943 Washington Square Mall
Washington, NC 27889
(919) 946-6481

Dept. of Environment,
Health, and Natural Resources
Div. of Water Quality
127 Cardinal Drive
Wilmington, NC 28405-3845
(910) 395-3900

Dept. of Environment,
Health, and Natural Resources
Div. of Water Quality
919 North Main Street
Mooresville, NC 28115
(704) 663-1699

Dept. of Environment,
Health, and Natural Resources
Div. of Water Quality
585 Waughtown Street
Winston-Salem, NC 27107
(910) 771-4600

Dept. of Environment,
Health, and Natural Resources
Div. of Water Quality
Wachovia Building, Suite 714
225 Green Street
Fayetteville, NC 28301-5043
(910) 486-1541

Dept. of Environment,
Health, and Natural Resources
Div. of Water Quality
59 Woodfin Place
Asheville, NC 28801-2482
(704) 251-6208

Dept. of Environment,
Health, and Natural Resources
Div. of Water Quality
2728 Capital Boulevard,
Parker-Lincoln Building
P.O. Box 29578,
Raleigh, NC 27626-0578
(919) 733-3221

Dept. of Environment,
Health, and Natural Resources
Div. of Water Quality
3800 Barrett Drive, Suite 101
Raleigh, NC 27609
(919) 571-4718

Fiscal Note: *A fiscal note was prepared for this rulemaking pursuantto the requirements of North Carolina General Statute 150B. The Rules do not affect the expenditures or revenues of state or local government funds. These Rules do not have a substantial economic impact of at least five million dollars ($ 5,000,000) in a 12-month period. These Rules will affectfunds distributed as a result of the continued implementation of the Leaking Petroleum Underground Storage Tank Clean-up Act of 1988.*

15A NCAC 2L. 0106 is proposed for amendment as follows:

.0106 CORRECTIVE ACTION

(a) Where groundwater quality has been degraded, the goal of any required corrective action shall be restoration to the level of the standards, or as closely thereto as is economically and technologically feasible. In all cases involving requests to the Director for approval of corrective action plans, or termination of corrective action, the responsibility for providing all information required by this Rule lies with the person(s) making the request.

(b) Any person conducting or controlling an activity which results in the discharge of a waste or hazardous substance or oil to the groundwaters of the State, or in proximity thereto, shall take immediate action to terminate and control the discharge, mitigate any hazards resulting from exposure to the pollutants and notify the Division of the discharge.

(c) Any person conducting or controlling an activity which has not been permitted by the Division and which results in an increase in the concentration of a substance in excess of the standard, other than agricultural operations, shall:

(1) immediately notify the Division of the activity that has resulted in the increase and the contaminant concentration levels;

(2) take immediate action to eliminate the source or sources of contamination;

(3) submit a report to the Director assessing the cause, significance and extent of the violation; and

(4) implement an approved corrective action plan for restoration of groundwater quality in accordance with a schedule established by the Director, or his designee. In establishing a schedule the Director, or his designee shall consider any reasonable schedule proposed by the person submitting the plan. A report shall be made to the Health Director of the county or counties in which the contamination occurs in accordance with the requirements of Rule .0114(a) in this Section.

(d) Any person conducting or controlling an activity which is conducted under the authority of a permit issued by the Division and which results in an increase in concentration of a substance in excess of the standards:

(1) at or beyond a review boundary, shall demonstrate, through predictive calculations or modeling, that natural site conditions, facility design and operational controls will prevent a violation of standards at the compliance boundary; or submit a plan for alteration of existing site conditions, facility design or operational controls that will prevent a violation at the compliance boundary, and implement that plan upon its approval by the Director, or his designee.

(2) at or beyond a compliance boundary, shall assess the cause, significance and extent of the violation of standards and submit the results of the investigation, and a plan and proposed schedule for corrective action to the Director, or his designee. The permittee shall implement the plan as approved by and in

accordance with a schedule established by the Director, or his designee. In establishing a schedule the Director, or his designee shall consider any reasonable schedule proposed by the permittee.

(e) For the purposes of Paragraphs (c) and (d) of this Rule, an activity conducted under the authority of a permit issued by the Division, and subject to Paragraph (d) of this Rule, is one for which:

(1) a permit has been issued pursuant to G.S. 143-215.1;

(2) the permit was originally issued after December 30, 1983;

(3) the substance for which a standard has been exceeded outside the compliance boundary has been released to groundwater as a result of the permitted activity;

(4) all other activities shall for the purpose of this Rule be deemed not permitted by the Division and subject to the provisions of Paragraph (c) of this Rule.

(f) Corrective action required following discovery of the unauthorized release of a contaminant to the surface or subsurface of the land, and prior to or concurrent with the assessment required in Paragraphs (c) and (d) of this Rule, shall include, but is not limited to:

(1) Prevention of fire, explosion or the spread of noxious fumes;

(2) Abatement, containment or control of the migration of contaminants;

(3) Removal, or treatment and control of any primary pollution source such as buried waste, waste stockpiles or surficial accumulations of free products;

(4) Removal, treatment or control of secondary pollution sources which would be potential continuing sources of pollutants to the groundwaters such as contaminated soils and non-aqueous phase liquids. Contaminated soils which threaten the quality of groundwaters must be treated, contained or disposed of in accordance with applicable rules and procedures established by the Division. The treatment or disposal of contaminated soils shall be conducted in a manner that will not result in a violation of standards or North Carolina Hazardous Waste Management rules.

(g) The site assessment conducted pursuant to the requirements of Paragraph (c) of this Rule, shall include:

(1) The source and cause of contamination;

(2) Any imminent hazards to public health and safety and actions taken to mitigate them in accordance with Paragraph (f) of this Rule;

(3) All receptors and significant exposure pathways;

(4) The horizontal and vertical extent of soil and groundwater contamination and all significant factors affecting contaminant transport; and

(5) Geological and hydrogeological features influencing the movement, chemical, and physical character of the contaminants.

Reports of site assessments shall be submitted to the Division as soon as practicable or in accordance with a schedule established by the Director, or his designee. In establishing a schedule the Director, or his designee shall consider any reasonable proposal by the person submitting the report.

(h) Corrective action plans for restoration of groundwater quality, submitted pursuant to Paragraphs (c) and (d) of this Rule shall include:

(1) A description of the proposed corrective action and reasons for its selection.

(2) Specific plans, including engineering details where applicable, for restoring groundwater quality.

(3) A schedule for the implementation and operation of the proposed plan.

(4) A monitoring plan for evaluating the effectiveness of the proposed corrective action and the movement of the contaminant plume.

(i) In the evaluation of corrective action plans, the Director, or his designee shall consider the extent of any violations, the extent of any threat to human health or safety, the extent of damage or potential adverse impact to the environment, technology available to accomplish restoration, the potential for degradation of the contaminants in the environment, the time and costs estimated to achieve groundwater quality restoration, and the public and economic benefits to be derived from groundwater quality restoration.

(j) A corrective action plan prepared pursuant to Paragraph (c) or (d) of this Rule must be implemented using the best available technology for restoration of groundwater quality to the level of the standards, except as provided in Paragraphs (k), (l), ~~and (m)~~ (m), (r) and (s) of this Rule.

(k) Any person required to implement an approved corrective action plan for a non-permitted site pursuant to this Rule may request that the Director approve such a plan without requiring groundwater remediation to the standards. A request submitted to the Director under this Paragraph shall include a description of site specific conditions, including information on the availability of public water supplies for the affected area; the technical basis for the request; and any other information requested by the Director to thoroughly evaluate the request. In addition, the person making the request must demonstrate to the satisfaction of the Director:

(1) that all sources of contamination and free product have been removed or controlled pursuant to Paragraph (f) of this Rule;

(2) that the time and direction of contaminant travel can be predicted with reasonable certainty;

(3) that contaminants have not and will not migrate onto adjacent properties, or that:

(A) such properties are served by an existing public water supply system dependent on surface waters or hydraulically isolated groundwater, or

(B) the owners of such properties have consented in writing to the request;

(4) that the standards specified in Rule .0202 of this Subchapter will be met at a location no closer than one year time of travel upgradient of an existing or foreseeable receptor, based on travel time and the natural attenuation capacity of subsurface materials or on a physical barrier to groundwater migration that exists

or will be installed by the person making the request;

(5) that, if the contaminant plume is expected to intercept surface waters, the groundwater discharge will not possess contaminant concentrations that would result in violations of standards for surface waters contained in 15A NCAC 2B .0200;

(6) that public notice of the request has been provided in accordance with Rule .0114(b) of this Section;

(7) that the proposed corrective action plan would be consistent with all other environmental laws.

(l) Any person required to implement an approved corrective action plan for a non-permitted site pursuant to this Rule may request that the Director approve such a plan based upon natural processes of degradation and attenuation of contaminants. A request submitted to the Director under this Paragraph shall include a description of site specific conditions, including written documentation of projected groundwater use in the contaminated area based on current state or local government planning efforts; the technical basis for the request; and any other information requested by the Director to thoroughly evaluate the request. In addition, the person making the request must demonstrate to the satisfaction of the Director:

(1) that all sources of contamination and free product have been removed or controlled pursuant to Paragraph (f) of this Rule;

(2) that the contaminant has the capacity to degrade or attenuate under the site-specific conditions;

(3) that the time and direction of contaminant travel can be predicted with reasonable certainty;

(4) that contaminant migration will not result in any violation of applicable groundwater standards at any existing or foreseeable receptor;

(5) that contaminants have not and will not migrate onto adjacent properties, or that:

(A) such properties are served by an existing public water supply system dependent on surface waters or hydraulically isolated groundwater, or

(B) the owners of such properties have consented in writing to the request;

(6) that, if the contaminant plume is expected to intercept surface waters, the groundwater discharge will not possess contaminant concentrations that would result in violations of standards for surface waters contained in 15A NCAC 2B .0200;

(7) that the person making the request will put in place a groundwater monitoring program sufficient to track the degradation and attenuation of contaminants and contaminant by-products within and down gradient of the plume and to detect contaminants and contaminant by-products prior to their reaching any existing or foreseeable receptor at least one year's time of travel upgradient of the receptor and no greater than the distance the groundwater at the contaminated site is predicted to travel in five years;

(8) that all necessary access agreements needed to monitor groundwater quality pursuant to Subparagraph (7) of this Paragraph have been or can be obtained;

(9) that public notice of the request has been provided in accordance with Rule .0114(b) of this Section; and

(10) that the proposed corrective action plan would be consistent with all other environmental laws.

(m) The Division or any person required to implement an approved corrective action plan for a non-permitted site pursuant to this Rule may request that the Director approve termination of corrective action.

(1) A request submitted to the Director under this Paragraph shall include:

(A) a discussion of the duration of the corrective action, the total project's cost, projected annual cost for continuance and evaluation of the success of the corrective action;

(B) an evaluation of alternate treatment technologies which could result in further reduction of contaminant levels projected capital and annual operating costs for each technology;

(C) effects, including health and safety impacts, on groundwater users if contaminant levels remain at levels existing at the time corrective action is terminated; and

(D) any other information requested by the Director to thoroughly evaluate the request.

(2) In addition, the person making the request must demonstrate to the satisfaction of the Director:

(A) that continuation of corrective action would not result in a significant reduction in the concentration of contaminants (At a minimum this demonstration must show the duration and degree of success of existing remedial efforts to attain standards and include a showing that the asymptotic slope of the contaminants curve of decontamination is less than a ratio of 1:40 over a term of one year based on quarterly sampling);

(B) that contaminants have not and will not migrate onto adjacent properties, or that:

(i) such properties are served by an existing public water supply system dependent on surface waters or hydraulically isolated groundwater, or

(ii) the owners of such properties have consented in writing to the request;

(C) that, if the contaminant plumes expected to intercept surface waters, the groundwater discharge will not possess contaminant concentrations that would result in violations of standards for surface waters contained in 15A NCAC 2B .0200;

(D) that public notice of the request has been provided in accordance with Rule .0114(b) of this Section; and

(E) that the proposed termination would be consistent with all other environmental laws.

(3) The Director shall not authorize termination of corrective action for any area that, at the time the request is made, has been identified by a state or local groundwater use planning process for resource development.

(4) The Director may authorize the termination of corrective action, or amend the corrective action plan after considering all the information in the request. Upon termination of corrective action, the Director shall require implementation of a groundwater monitoring program sufficient to track the degradation

and attenuation of contaminants at a location of at least one year's predicted time of travel upgradient of any existing or foreseeable receptor. The monitoring program shall remain in effect until there is sufficient evidence that the contaminant concentrations have been reduced to the level of the standards.

(n) Upon a determination by the Director that continued corrective action would result in no significant reduction in contaminant concentrations, and the contaminated groundwaters can be rendered potable by treatment using readily available and economically reasonable technologies, the Director may designate the remaining area of degraded groundwater RS. Where the remaining degraded groundwaters cannot be made potable by such treatment, the Director may consider a request for reclassification of the groundwater to a GC classification as outlined in Rule .0201 of this Subchapter.

(o) If at any time the Director determines that a new technology is available that would remediate the contaminated groundwater to the standards specified in Rule .0202 of this Subchapter, the Director may require the responsible party to evaluate the economic and technological feasibility of implementing the new technology in an active groundwater corrective action plan in accordance with a schedule established by the Director. The Director's determination to utilize new technology at any site or for any particular constituent shall include a consideration of the factors in Paragraph (h) of this Rule.

(p) Where standards are exceeded as a result of the application of pesticides or other agricultural chemicals, the Director shall request the Pesticide Board or the Department of Agriculture to assist the Division of Environmental Management in determining the cause of the violation. If the violation is determined to have resulted from the use of pesticides, the Director shall request the Pesticide Board to take appropriate regulatory action to control the use of the chemical or chemicals responsible for, or contributing to, such violations, or to discontinue their use.

(q) The approval pursuant to this Rule of any corrective action plan, or modification or termination thereof, which permits the migration of a contaminant onto adjacent property, shall not affect any private right of action by any party which may be effected by that contamination.

(r) If a discharge or release is not governed by 15A NCAC 2L .0115 and the increase in the concentration of a substance in excess of the standard resulted in whole or in part from a release from a commercial or noncommercial underground storage tank as defined in G.S. 143-215.94A, any person required to implement an approved corrective action plan pursuant to this Rule and seeking reimbursement for the Commercial or Noncommercial Leaking Petroleum Underground Storage Tank Cleanup Funds shall implement a corrective action plan meeting the requirements of Paragraphs (k) or (l) of this Rule unless such a person demonstrates to the Director that:

(1) contamination resulting from the discharge cannot qualify for approval of a plan based on the requirements of the Paragraphs; or

(2) the cost of making such a demonstration would exceed the cost of implementing a corrective action plan submitted pursuant to Paragraph (c) of this Rule.

(s) If a discharge or release is not governed by 15A NCAC 2L .0115 and the increase in the concentration of a

substance in excess of the standard resulted in whole or in part from a release from a commercial or noncommercial underground storage tank as defined in G.S. 143-215.94A, the Director may require any person implementing or operating a previously approved corrective action plan pursuant to this Rule to:

(1) develop and implement a corrective action plan meeting the requirements of Paragraphs (k) and (l) of this Rule; or

(2) seek discontinuance of corrective action pursuant to Paragraph (m) of this Rule.

History Note: *Authority G.S. 143-215.2; 143-215.3(a)(1); 143-215.94A; 143-215.94(T); 143-215.94V; 143B-282; 1995 (Reg. Sess.: 1996) c. 648, s. 1;*
Eff. August 1, 1989;
Amended Eff._____; October 1, 1993; September 1, 1992.

15A NCAC 2L.0115 is proposed for adoption as follows:

.0115 RISK-BASED ASSESSMENT AND CORRECTIVE ACTION FOR PETROLEUM UNDERGROUND STORAGE TANKS.

(a) The purpose of this Rule is to establish procedures for risk-based assessment and corrective action sufficient to:

(1) protect human health and the environment;

(2) abate and control contamination of the waters of the State as deemed necessary to protect human health and the environment;

(3) permit management of the State's groundwaters to protect their designated current usage and potential future uses;

(4) provide for anticipated future uses of the State's groundwater;

(5) recognize the diversity of contaminants, the State's geology and the characteristics of each individual site; and

(6) accomplish these goals in a cost-efficient manner to assure the best use of the limited resources available to address groundwater pollution within the State.

(b) This Rule applies to any discharge or release from a "commercial underground storage tank" or a "noncommercial underground storage tank," as those terms are defined in G. S. 143-215.94A, which is reported on or after the effective date of this Rule. This Rule shall apply to discharges or releases reported before the effective date of this Rule to the extent that the Department determines that application of all or part of the Rule is necessary to protect human health or the environment or may result in a more cost-effective assessment and cleanup of the discharge or release. The requirements of this Rule shall apply to the owner and operator of the underground storage tank from which the discharge or release occurred, a landowner seeking reimbursement from the Commercial Leaking Underground Storage Tank Fund or the Noncommercial Leaking Underground Storage Tank Fund under G. S. 143-215.94E, and any other person responsible for the assessment or cleanup of a discharge or release from an underground storage tank, including any person who has conducted or controlled an activity which results in the discharge or release of petroleum or petroleum products as defined in G.S. 143-215.94A(10) to the groundwaters of the State, or in proximity thereto; these persons shall be collectively referred to for purposes of this Rule as the "responsible party." This Rule shall be applied in a manner consistent with the Rules found in 15A NCAC 2N in order to assure that the State's requirements regarding assessment and cleanup from underground storage tanks are no less stringent than Federal requirements.

(c) A responsible party shall:

(1) take immediate action to prevent any further discharge or release of petroleum from the underground storage tank; identify and mitigate any fire, explosion or vapor hazard; remove any free product; and comply with the requirements of Rules .0601 through .0604 and .0701 through .0703 and .0705 of

Subchapter 2N;

(2) incorporate the requirements of 15A NCAC 2N .0704 into the submittal required under Subparagraph (3) of this Paragraph or the limited site assessment report required under Subparagraph (4) of this Paragraph, whichever is applicable. Such submittals shall constitute compliance with the reporting requirements of 15A NCAC 2L .0704(b);

(3) submit within 90 days of the discovery of the discharge or release a soil contamination report containing information sufficient to show that unexcavated soil remaining in the unsaturated zone does not contain contaminant levels which exceed either the "soil-to-groundwater" or the residential maximum soil contaminant concentrations established by the Department pursuant to Paragraph (m) of this Rule, whichever is lower. If such showing is made, the discharge or release shall be classified as low risk by the Department;

(4) if the required showing cannot be made under Subparagraph (3) of this Paragraph, submit within 90 days of the discovery of the discharge or release, or within such other time limit approved by the Department, a report containing information needed by the Department to classify the level of risk to human health and the environment posed by a discharge or release under by Paragraph (d) of this Rule. Such report shall include, at a minimum:

(A) a location map, based on a USGS topographic map, showing the radius of 1500 feet from the source area of a confirmed release or discharge and depicting all water supply wells and surface waters within the 1500-foot radius;

(B) a determination of whether the source area of the discharge or release is within a designated wellhead protection area as defined in 42 USC 300h-7(e);

(C) if the discharge or release is in the Coastal Plain physiographic region as designated on a map entitled "Geology of North Carolina" published by the Department in 1985, a determination of whether the source area of the discharge or release is located in an area in which there is recharge to an unconfined or semi-confined deeper aquifer which is being used or may be used as a principal source of drinking water;

(D) a determination of whether vapors from the discharge or release pose a threat of explosion due to the accumulation of vapors in a confined space or pose any other serious threat to public health, public safety or the environment;

(E) a scaled site map showing the location of the following which are on or adjacent to the property where the source is located: site boundaries, roads, buildings, basements, floor and storm drains, subsurface utilities, septic tanks and leach fields, underground storage tank systems, monitoring wells, borings and the sampling points;

(F) the results from a limited site assessment which shall include:

(i) the analytical results of one soil sample collected during the construction of a monitoring well

installed in the source area of each confirmed discharge or release and either the analytical results of a groundwater sample collected from the well or, if free product is present in the well, the amount of free product in the well. The soil sample shall be collected from the suspected worst-case location exhibiting visible contamination or elevated levels of volatile organic compounds in the borehole;

(ii) if any constituent in the groundwater sample from the source area monitoring well installed in accordance with Subpart (i) of this Part exceeds the standards or interim standards established in 15A NCAC 2L .0202 by a factor of 10 and is a discharge or release from a commercial underground storage tank, the analytical results from a groundwater sample collected from each of four additional monitoring wells or, if free product is present in any of the wells, the amount of free product in such well. The four additional monitoring wells will be installed as follows: as best as can be determined, one upgradient of the source of contamination; two downgradient of the source of contamination; and one vertical-extent well immediately downgradient from the source but within the area of contamination;

(iii) if the four additional monitoring wells are required under Subpart (4)(F)(ii) of this Part, the analytical results from soil samples collected every five feet in the unsaturated zone in the vertical extent borehole; and

(iv) potentiometric data from all required wells;

(G) the availability of public water supplies and the identification of properties served by the public water supplies within 1500 feet of the source area of a confirmed discharge or release;

(H) the land use, including zoning if applicable, within 1500 feet of the source area of a confirmed discharge or release;

(I) a discussion of site specific conditions or possible actions which could result in lowering the risk classification assigned to the release. Such discussion shall be based on information known or required to be obtained under this Subsection; and

(J) names and current addresses of all owners and operators of the underground storage tank systems, the owner(s) of the land upon which such systems are located, and all adjacent real property owners.

(d) The Department shall classify the risk of each known discharge or release as high, intermediate or low risk unless the discharge or release has been classified under Subparagraph (c)(3) of this Rule. For purposes of this Rule:

(1) "High risk" means that:

(A) a water supply well, including one used for non-drinking purposes, has been contaminated by the release or discharge;

(B) a water supply well used for drinking water is located within 1500 feet of the source area of a confirmed discharge or release;

(C) a water supply well not used for drinking water is located within 250 feet of the source area of a

confirmed discharge or release;

(D) the groundwater within 500 feet of the source area of a confirmed discharge or release has the potential for future use in that there is no source of water supply other than the groundwater;

(E) the vapors from the discharge or release pose a serious threat of explosion due to accumulation of the vapors in a confined space; or

(F) the discharge or release poses an imminent danger to public health, public safety, or the environment.

(2) "Intermediate risk" means that:

(A) surface water is located within 500 feet of the source area of a confirmed discharge or release and the maximum groundwater contaminant concentration exceeds the applicable surface water quality standards and criteria found in 15A NCAC 2B .0200;

(B) in the Coastal Plain physiographic region as designated on a map entitled "Geology of North Carolina" published by the Department in 1985, the source area of a confirmed discharge or release is located in an area in which there is recharge to an unconfined or semi-confined deeper aquifer which the Department determines is being used or may be used as a principal source of drinking water;

(C) the source area of a confirmed discharge or release is within a designated wellhead protection area, as defined in 42 USC 300h-7(e); or

(D) the levels of groundwater contamination exceed 50 percent of solubility of the contaminant or 1,000 times the groundwater standard or interim standard established in 15A NCAC 2L .0202, whichever is lower.

(3) "Low risk" means that:

(A) the risk posed does not fall within the high or intermediate risk categories; or

(B) based on review of site-specific information, limited assessment or interim corrective actions, the Department determines that the discharge or release poses no significant risk to human health or the environment.

If the criteria for more than one risk category applies, the discharge or release shall be classified at the highest applicable risk category unless the Department has reclassified the discharge or release pursuant to Paragraph (e) of this Rule.

(e) The Department may reclassify the risk posed by a release if warranted by further information concerning the potential exposure of receptors to the discharge or release or upon receipt of new information concerning changed conditions at the site. After initial classification of the discharge or release, the Department may require limited assessment or interim corrective action which the Department believes will result in a lower risk classification. It shall be a continuing obligation of each responsible party to notify the Department of any changes that might affect the level of risk assigned to a discharge or release by the Department if the change is known or should be known by the responsible party. Such changes shall include, but shall not be limited to, changes in zoning of real property, use of real property or the use of groundwater that has been contaminated or is expected to be contaminated by the discharge or

release, if such change could cause the Department to reclassify the risk.

(f) If the risk posed by a discharge or release is determined by the Department to be high risk, the responsible party shall comply with the assessment and cleanup requirements of Rule .0106(c), (g) and (h) of this Subchapter and 15A NCAC 2N .0706 and .0707. The goal of any required corrective action for groundwater contamination shall be restoration to the level of the groundwater standards set forth in 15A NCAC 2L .0202, or as closely thereto as is economically and technologically feasible. In any corrective action plan submitted pursuant to this Subsection, natural attenuation shall be used to the maximum extent possible. If the responsible party demonstrates that natural attenuation prevents the further migration of the plume, the Department may approve a groundwater monitoring plan.

(g) If the risk posed by a discharge or release is determined by the Department to be an intermediate risk, the responsible party shall comply with the assessment requirements of 15A NCAC 2L .0106 (c) and (g) and 15A NCAC 2N .0706. As part of the comprehensive site assessment, the responsible party shall evaluate, based on site-specific conditions, whether the release poses a significant risk to human health or the environment. If the Department determines, based on the site specific conditions, that the discharge or release does not pose a significant threat to human health or the environment, the site shall be reclassified as a low risk site. If the site is not reclassified, the responsible party shall, at the direction of the Department, submit a groundwater monitoring plan or a corrective action plan, or a combination thereof, meeting the cleanup standards of this Subsection and containing the information required in 15A NCAC 2L .0106(h) and 15A NCAC 2N .0707. All discharges or releases which are classified as intermediate risk shall be remediated, at a minimum, to a cleanup level of 50 percent of solubility of the contaminant or 1,000 times the groundwater standard or interim standard established in 15A NCAC 2L .0202, whichever is lower. Additionally, if a corrective action plan or groundwater monitoring plan is required under this Subsection, the responsible party shall demonstrate that the cleanup levels are sufficient to prevent a violation of:

(1) the Rules contained in 15A NCAC 2B;

(2) the standards contained in 15A NCAC 2L .0202 in a deep aquifer as described in Part (d)(2)(B) of this Rule; and

(3) the standards contained in 15A NCAC 2L .0202 at a location no closer than one year time of travel upgradient of a well within a designated wellhead protection area, based on travel time and the natural attenuation capacity of the subsurface materials or on a physical barrier to groundwater migration that exists or will be installed by the person making the request.

In any corrective action plan submitted pursuant to this Subsection, natural attenuation shall be used to the maximum extent possible.

(h) If the risk posed by a discharge or release is determined by the Department to be a low risk, the Department shall notify the responsible party that no cleanup, no further cleanup or no further action will be required by the Department unless the Department later determines that the discharge or release poses an unacceptable risk or a potentially unacceptable risk to human health or the environment. No notification will be issued pursuant to this

subsection, however, until the responsible party has completed soil remediation pursuant to Paragraph (l) of this Rule. The issuance by the Department of a notification under this Paragraph shall not affect any private right of action by any party which may be affected by the contamination.

(i) Assessment and remediation of soil contamination shall be addressed as follows:

(1) The responsible party shall submit a report to the Department assessing the vertical and horizontal extent of soil contamination.

(2) The Department shall determine, based on site-specific information, whether the site is "residential" or "industrial/commercial." For purposes of this Rule, a site is presumed residential, but may be classified as industrial/commercial if the Department determines based on site-specific information that exposure to the soil contamination is limited in time due to the use of the site and does not involve exposure to children.

(3) For a discharge or release classified by the Department as low risk, the responsible party shall submit a report demonstrating that soil contamination has been remediated to either the residential or industrial/commercial maximum soil contaminant concentration established by the Department pursuant to Paragraph (m), whichever is applicable.

(4) For a discharge or release classified by the Department as high or intermediate risk, the responsible party shall submit a report demonstrating that soil contamination has been remediated to the lowest of:

(A) the residential or industrial/commercial maximum soil contaminant concentration, whichever is applicable, that has been established by the Department pursuant to Paragraph (m) of this Rule; or

(B) the "soil-to-groundwater" maximum soil contaminant concentration that has been established by the Department pursuant to Paragraph (m) of this Rule.

(j) A responsible party who submits a corrective action plan which proposes natural attenuation or to cleanup groundwater contamination to a standard other than a standard or interim standard established in 15A NCAC 2L .0202, or to cleanup soil other than to the standard for residential use or soil-to-groundwater contaminant concentration established pursuant to this Rule, whichever is lower, shall give notice to: the local Health Director and the chief administrative officer of each political jurisdiction in which the contamination occurs; all property owners and occupants within or contiguous to the area containing the contamination; and all property owners and occupants within or contiguous to the area where the contamination is expected to migrate. Such notice shall describe the nature of the plan and the reasons supporting it. Notification shall be made by certified mail concurrent with the submittal of the corrective action plan. Approval of the corrective action plan by the Department shall be postponed for a period of thirty (30) days following receipt of the request so that the Department may consider comments submitted by interested individuals. The responsible party shall, within a time frame determined by the Department, provide the Department with a copy of the notice and proof of receipt of each required notice, or of refusal by the addressee to accept delivery of a required notice. If notice by certified mail to occupants under this Subsection is impractical, the responsible party may give notice by posting such notice prominently in a manner designed to give actual notice to the occupants. If notice is made to

occupants by posting, the responsible party shall provide the Department with a copy of the posted notice and a description of the manner in which such posted notice was given.

(k) A responsible party who receives a notice pursuant to Paragraph (h) of this Rule for a discharge or release which has not been remediated to the groundwater standards or interim standards established in Rule .0202 of this Section or to the lower of the residential or soil-to-groundwater contaminant concentrations established under Paragraph (m) of this Rule, shall, within 30 days of the receipt of such notice, provide a copy of the notice to: the local Health Director and the chief administrative officer of each political jurisdiction in which the contamination occurs; all property owners and occupants within or contiguous to the area containing contamination; and all property owners and occupants within or contiguous to the area where the contamination is expected to migrate. Notification shall be made by certified mail. The responsible party shall, within a time frame determined by the Department, provide the Department with proof of receipt of the copy of the notice, or of refusal by the addressee to accept delivery of the copy of the notice. If notice by certified mail to occupants under this Paragraph is impractical, the responsible party may give notice by posting a copy of the notice prominently in a manner designed to give actual notice to the occupants. If notice is made to occupants by posting, the responsible party shall provide the Department with a description of the manner in which such posted notice was given.

(l) To the extent feasible, the Department shall maintain in each of the Department's regional offices a list of all petroleum underground storage tank discharges or releases discovered and reported to the Department within the region on or after the effective date of this rule and all petroleum underground storage tank discharges or releases for which notification was issued under Paragraph (h) by the Department on or after the effective date of this Rule.

(m) The Department shall publish, and annually revise, maximum soil contaminant concentrations to be used as soil cleanup levels for contamination from petroleum underground storage tank systems. Maximum soil contaminant concentrations will be established for residential, industrial/commercial and soil-to-groundwater exposures. The following equations and references shall be used in establishing the residential and industrial/commercial maximum soil contaminant concentrations:

Residential:

Equation 1: Non-cancer Risk-based Residential Concentration

Soil mg/kg = 15,642.86 x oral chronic reference dose

Equation 2: Cancer Risk-based Residential Concentration

Soil mg/kg = 0.6387/ oral cancer slope factor

Industrial/Commercial:

Equation 1: Non-cancer Risk-based Industrial/Commercial Concentration

Soil mg/kg = 408,800 x oral chronic reference dose

Equation 2: Cancer Risk-based Industrial/Commercial Concentration

Soil mg/kg = 5.7232/ oral cancer slope factor

Equation 1 shall be used for each contaminant with an EPA carcinogenic classification of A, B1, B2, C, D or E. Equation 2 shall be used for each contaminant with an EPA carcinogenic classification of A, B1, B2 or C. The maximum soil contaminant concentration shall be the lowest of the concentrations derived from Equations 1 and 2. The following references or the most recent version of these references, in order of preference, shall be used to obtain oral chronic reference doses and oral cancer slope factors:

(1) EPA, Integrated Risk Information System (IRIS) Computer Database.

(2) EPA, Health Effects Assessment Summary Tables (HEAST).

(3) EPA Region III, Risk-based Concentration Tables (RBC Tables), Office of RCRA, Technical and Program Support Branch. Available at: http://www.epa.gov/reg3hwmd/riskmenu.htm?=Risk+Guidance

(4) EPA, 1995, Supplemental Guidance to RAGS: Region 4 Bulletins Human Health Risk Assessment, including future amendments;

(5) Other appropriate, published health risk assessment data, and scientifically valid peer-reviewed published toxicological data.

The following equations and references shall be used in establishing the soil-to-groundwater maximum contaminant concentrations:

Organic Constituents:

Soil mg/kg = groundwater standard or interim standard x [(.02 x soil organic carbon-water partition coefficient) + 4 + (1.72 x 41 x Henry's Law Constant (atm.-m^3/mol.))]

Inorganic Constituents:

Soil mg/kg = groundwater standard or interim standard x [(20 x soil-water partition coefficient for pH of 5.5) + 4 + (1.72 x 41 x Henry's Law Constant (atm.-m^3/mol.))]

If no groundwater standard or interim standard has been established under Rule 2L .0202 of this Section, the practical quantitation limit should be used in lieu of a standard to calculate the soil-to-groundwater maximum contaminant concentrations. The following references or the most recent version of these references, in order of preference, shall be used to obtain soil organic carbon-water partition coefficients for organic constituents, soil-water partition coefficients for inorganic constituents and Henry's Law Constants:

Organic Constituents:

(1) EPA, 1996, Soil Screening Guidance: Technical Background Document, (EPA/540/R95/128);

(2) EPA, 1986, Superfund Public Health Evaluation Manual, Office of Emergency and remedial Response (EPA/540/1-86/060);

(3) Agency for Toxic Substances and Disease Registry, "Toxicological Profile for *[individual chemical]*," U.S. Public Health Service;

(4) Montgomery, J.H., 1996, Groundwater Chemicals desk Reference, CRC Press, Inc.

(5) Sims, R.C., J.L. Sims and S.G. Hansen, 1991. Soil Transport and Fate Database, Version 2.0. EPA Robert S. Kerr Environmental Laboratory; and

(6) Other appropriate, published, peer-reviewed and scientifically valid data.

Inorganic Constituents:

(1) EPA, 1996. Soil Screening Guidance: Technical Background Document. (EPA/540/R95/128);

(2) Baes, C.F., III, R.D. Sharp, A.L. Sjoreen, and R.W. Shor, 1984. A Review and Analysis of Parameters for Assessing Transport of Environmentally Released Radionuclides Through Agriculture. Oak Ridge National Laboratory;

(3) Agency for Toxic Substances and Disease Registry, "Toxicological Profile for *[individual chemical]*," U.S. Public Health Service;

(4) Sims, R.C., J.L. Sims and S.G. Hansen, 1991. Soil Transport and Fate Database, Version 2.0. EPA Robert S. Kerr Environmental Laboratory; and

(5) Other appropriate, published, peer-reviewed and scientifically valid data.

(n) Analytical procedures for soil samples required under this Rule shall be as follows:

(1) soil samples collected from a discharge or release of low boiling point fuels, including, but not limited to gasoline, aviation gasoline and gasohol, shall be analyzed for volatile hydrocarbons and additives using EPA Method 8260, including isopropyl ether and methyl tertiary butyl ether;

(2) soil samples collected from a discharge or release of high boiling point fuels, including, but not limited to, kerosene, diesel, varsol, mineral spirits, naphtha, jet fuels and fuel oil no. 2, shall be analyzed for volatile hydrocarbons using EPA Method 8260 and semivolatile hydrocarbons using EPA Method 8270;

(3) soil samples collected from a discharge or release of heavy fuels shall be analyzed for semivolatile hydrocarbons using EPA Method 8270;

(4) soil samples collected from a discharge or release of used and waste oil shall be analyzed for volatile hydrocarbons and chlorinated solvents using EPA Method 8260, semivolatile hydrocarbons using EPA Method 8270, polychlorinated biphenyls using EPA Method 8080, and chromium and lead, using procedures specified in Subparagraph (6) of this Paragraph;

(5) soil samples collected from any discharge or release subject to this Rule shall be analyzed for alkane and aromatic carbon fraction classes using methods approved by the Director under Rule 2H.0805 (a)(1) of this Chapter; and

(6) analytical methods specified in Subparagraphs (1), (2), (3), and (4) of this Paragraph shall be performed as specified in the following references or the most recent version of these references: Test Methods for Evaluating Solid Wastes:Physical/Chemical Methods, November 1990, U.S. Environmental Protection Agency publication number SW-846; or in accordance with other methods or procedures approved by the Director under 15A NCAC 2H .0805 (a)(1).

(o) Analytical procedures for groundwater samples required under this Rule shall be as follows:

(1) groundwater samples collected from a discharge or release of low boiling point fuels, including, but not limited to, gasoline, aviation gasoline and gasohol, shall be analyzed for volatile hydrocarbons using Standard Method 6210D or EPA Methods 601 and 602, including xylenes, isopropyl ether and methyl tertiary butyl ether. Samples shall also be analyzed for ethylene dibromide using EPA Method 504.1 and lead using Standard Method 3030C preparation. 3030C metals preparation, using a 0.45 micron filter, must be completed within 72 hours of sample collection;

(2) groundwater samples collected from a discharge or release of high boiling point fuels, including, but not limited to, kerosene, diesel, varsol, mineral spirits, naphtha, jet fuels and fuel oil no. 2, shall be analyzed for volatile hydrocarbons using EPA Method 602 and semivolatile hydrocarbons plus the 10 largest non-target peaks identified using EPA Method 625;

(3) groundwater samples collected from a discharge or release of heavy fuels shall be analyzed for semivolatile hydrocarbons plus the 10 largest non-target peaks identified using EPA Method 625;

(4) groundwater samples collected from a discharge or release of used or waste oil shall be analyzed for volatile hydrocarbons and chlorinated solvents using Standard Method 6210D, semivolatile hydrocarbons plus the 10 largest non-target peaks identified using EPA Method 625, and chromium and lead using Standard Method 3030C. 3030C metals preparation, using a 0.45 micron filter, must be completed within 72 hours of sample collection; and

(5) analytical methods specified in Subparagraphs (1), (2), (3) and (4) of this Paragraph shall be performed as specified in the following references or the most recent version of these references: Test Procedures for the Analysis of Pollutants under the Clean Water Act, Federal Register Vol. 49 No. 209, 40 CFR Part 136, October 26, 1984; Standard Methods for the Examination of Water and Wastewater, published jointly by American Public Health Association, American Water Works Association and Water Pollution Control Federation; Methods for Determination of Organic Compounds in Drinking Water, U.S. Environmental Protection Agency publication number EPA-600/4-79-020; or in accordance with other methods or procedures approved by the Director under 15A NCAC 2H.0805 (a)(1).

(p) In accordance with 15A NCAC 2H.0804, laboratories are required to obtain North Carolina Division of Water Quality laboratory certification for parameters that are required to be reported to the State in compliance with the State's surface water, groundwater and pretreatment rules.

(q) This Rule shall not relieve any person responsible for assessment or cleanup of contamination from a source other than a commercial or noncommercial underground storage tank from its obligation to assess and clean up contamination resulting from such discharge or releases.

(r) If the risk posed by the discharge or release has been classified by the Department as Class AB under 1995 (Reg. Sess., 1996) c. 648, s. 1, the discharge or release is classified as high risk under this Rule unless and until the

Department reclassifies the risk posed by the discharge or release. If the risk posed by the discharge or release has been classified by the Department as Class CDE under 1995 (Reg. Sess., 1996) c. 648, s. 1, the discharge or release is classified as low risk under this Rule unless and until the Department reclassifies the risk posed by the discharge or release. Responsible parties for Class AB discharges or releases shall continue to comply with notices previously received from the Department unless and until the Department determines under Paragraph (b) that this Rule should apply to the discharge or release. If a site assessment pursuant to Rule .0106 (c) and (g) of this Section has not been submitted to the Department for a Class AB or Class CDE discharge or release before the effective date of this Rule, the responsible party shall comply with Paragraph (c) of this Rule unless the Department has issued a closure notice for the discharge or release. For discharges or releases classified as low risk under this subsection and for which a site assessment pursuant to Rule .0106 (c) and (g) of this Section has been submitted to the Department prior to the effective date of this Rule, the Department may issue a notification under Paragraph (h) of this Rule if the responsible party demonstrates that soil contamination does not exceed contamination cleanup levels established by the Department in the "Groundwater Section Guidelines for the Investigation and Remediation of Soils and Groundwater" (June 1993).

History Note: *Authority G.S. 143-215.2; 143-215.3(a)(1); 143-215.94A; 143-215.94E; 143-215.94(T); 143-215.94(V); 143B-282; 1995 (Reg.Sess. 1996) c.648, s.1;*
Eff.

15A NCAC 2P. 0402 is proposed for amendment as follows:

.0402 CLEANUP COSTS

(a) In determining whether costs expended by an owner or operator or landowner are reasonable and necessary, the Division shall consider the following:

(1) Adequacy and cost-effectiveness of any work performed and technical activity utilized by the owner or operator or landowner in performing release response, site assessment and corrective action.

(2) Typical billing rates of engineering, geological, or other environmental consulting firms providing similar services in the State as determined by the Division.

(3) Typical rental rates for any necessary equipment as determined by the Division. The amount reimbursed for equipment rental shall not exceed the typical purchase price of such equipment.

(4) Typical costs or rates of any other necessary service, labor or expense as determined by the Division.

(5) Whether costs expended for corrective action were required by 15A NCAC 2L.

(b) Expenditures not eligible for reimbursement shall include the following:

(1) Costs of the removal and disposal of noncommercial underground storage tanks and contents removed on or after July 3, 1991, and of commercial underground storage tanks and contents removed on or after January 1, 1992;

(2) Costs of the replacement of any underground storage tank, piping, fitting, or ancillary equipment;

(3) Costs incurred in preparation of any proposals or bid by a provider of service for the purpose of soliciting or bidding for the opportunity to perform an environmental investigation or cleanup, even if that provider is ultimately selected to provide the service solicited;

(4) Interest on any accounts, loans, etc.;

(5) Expenses charged by the owner or operator or landowner in the processing and management of a reimbursement application or subsequent claims;

(6) Attorney's fees;

(7) Penalties, fees, and fines assessed by any court or agency;

(8) Loss of profits, fees, and wages incurred by the owner or operator or landowner;

(9) Any other expenses not specifically related to environmental cleanup, or implementation of a cost effective environmental cleanup, or third party bodily injury or property damage.

History Note: *Authority G.S. 143-215.3; 143-215.94B; 143-215.94D; 143-215.94E; 143-215.94L; 143-215.94T; 143-215.94V; 143B-282;*
Eff. February 1, 1993;
Amended Eff._____; September 1, 1993.

15A NCAC 2N. 0701 is proposed for amendment as follows:

.0701 GENERAL

(a) The "General" provisions contained in 40 CFR 280.60 (Subpart F) have been adopted by reference in accordance with ~~G.S. 150B-14(c).~~ G.S. 150B-21.6.

(b) Any corrective action undertaken in accordance with this Section must meet the requirements and standards specified in 15A NCAC 2L ~~.0106.~~ 2L.

History Note: *Authority G.S. 143-215.3(a)(15); 143B-282(2)(h); ~~150B-14(c);~~*
150B-21.6;
Eff. January 1, 1991.
Amended Eff. _____;

15A NCAC 2N. 0707 is proposed for amendment as follows:

.0707 CORRECTIVE ACTION PLAN

(a) The provisions for a "Corrective action plan" contained in 40 CFR 280.66 (Subpart F) have been incorporated by reference including any subsequent amendments and editions with the exception of the following Paragraph. This material is available for inspection at the Department of Environment, Health and Natural Resources, Division of ~~Environmental Management,~~ Water Quality, Groundwater Section, ~~512 North Salisbury Street,~~ 2728 Capital Boulevard, Raleigh, North Carolina. Copies of 40 CFR Parts 260 to 299 may be obtained from the Superintendent of Documents, Government Printing Office, Washington, D.C., 20402 at a cost of thirty-one dollars ($31.00).

(b) 40 CFR 280.66(a) has been rewritten to read: "At any point after reviewing the information submitted in compliance with 40 CFR 280.61 through 40 CFR 280.63, the Division may require owners and operators to submit additional information or to develop and submit a corrective action plan for responding to contaminated soils and groundwater. If a plan is required, owners and operators must prepare a plan in accordance with the requirements specified in 15A NCAC 2L ~~.0106~~, and submit it according to a schedule and format established by the Division. Owners and operators are responsible for submitting a plan that provides for adequate protection of human health and the environment as determined by the Division, and must modify their plan as necessary to meet this standard."

History Note: *Authority G.S. 143-215.3(a)(15); 143B-282(2)(h);*
Eff. January 1, 1991
Amended Eff. _____;

State of North Carolina
Department of Environment,
Health and Natural Resources
Division of Water Quality

James B. Hunt, Jr., Governor
Jonathan B. Howes, Secretary
A. Preston Howard, Jr., P.E., Director



March 5, 1997

MEMORANDUM

TO: NER Subcommittee

FROM: Preston Howard

SUBJECT: Explanation of the Scope of Duties for the Water Quality Section

Based on some of the questions raised at the meeting this morning concerning the expansion request in Governor Hunt's budget ($2,022,887.00) for "Maintenance of Existing Water Quality Program", I thought it might be helpful to provide you with a copy of a document compiled by our Water Quality Planning Staff. It provides a very thorough overview of the duties and responsibilities of the section.

I hope you find this information useful and will be glad to answer any further questions. My phone number if you have questions is 919/733-7015, ext. 203.

cc: Mona Moon w/attachments
Linda Rimer
Jane Smith
Richard Rogers

P.O. Box 29535,
Raleigh, North Carolina 27626-0535
Telephone 919-733-7015

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OVERVIEW OF NORTH CAROLINA'S WATER QUALITY PROTECTION PROGRAM

November 1996

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DIVISION OF WATER QUALITY, WATER QUALITY SECTION

The Division of Water Quality is the lead state agency for the regulation and protection of the state's surface waters. The Division is comprised of four sections: Water Quality, Groundwater, Construction Grants and Loans and the Water Quality Laboratory.

The primary responsibilities of the Division of Water Quality are to maintain or restore an aquatic environment to sufficient quality to protect the existing and best intended uses of North Carolina's surface waters and to ensure compliance with state and federal water quality standards. The Division receives both state and federal allocations as well as funding through permit fee collections. Policy guidance is provided by the Environmental Management Commission. The major areas of responsibility are water quality monitoring, permitting, planning, modeling (wasteload allocations) and compliance oversight.

The Central office is divided into four branches, each branch is subdivided into two units (Figure 1). The Planning Branch is responsible for developing surface water quality standards and classifications, nonpoint source program planning, administering the basinwide management program, modeling nonpoint pollution sources, developing use support ratings and improving the section's GIS capabilities. It also coordinates EPA water quality planning grants, state environmental policy act responsibilities and the implementation of the Comprehensive Conservation and Management Plan (CCMP) that resulted from the Albemarle-Pamlico Estuarine Study (APES).

The Operations Branch is responsible for permit compliance tracking, the pretreatment program, water supply watershed protection/local government technical support, and the operator training and certification program.

The Technical Support Branch is responsible for reviews and processing of discharge and nondischarge permits, coordinating development of TMDLs and wasteload allocations for dischargers, and providing primary computer modeling support.

The Environmental Sciences Branch is responsible for all biological and chemical water quality monitoring and evaluation including benthic macroinvertebrate monitoring (biomonitoring), fish tissue and fish communities studies, and the wetlands 401 Water Quality Certification program. The Branch is also responsible for effluent toxicity testing and evaluations, algal analyses, long term biochemical and sediment oxygen demand, and lakes assessments.

The seven Regional Offices carry out activities such as wetland reviews, compliance evaluations, permit reviews and facility inspections for both discharging and nondischarging systems, ambient water quality monitoring, state environmental policy act reviews, stream reclassification reviews, pretreatment program support and operator training and certification assistance. In addition, they respond to water quality emergencies such as oil spills and fish kills, investigate complaints and provide information to the public.

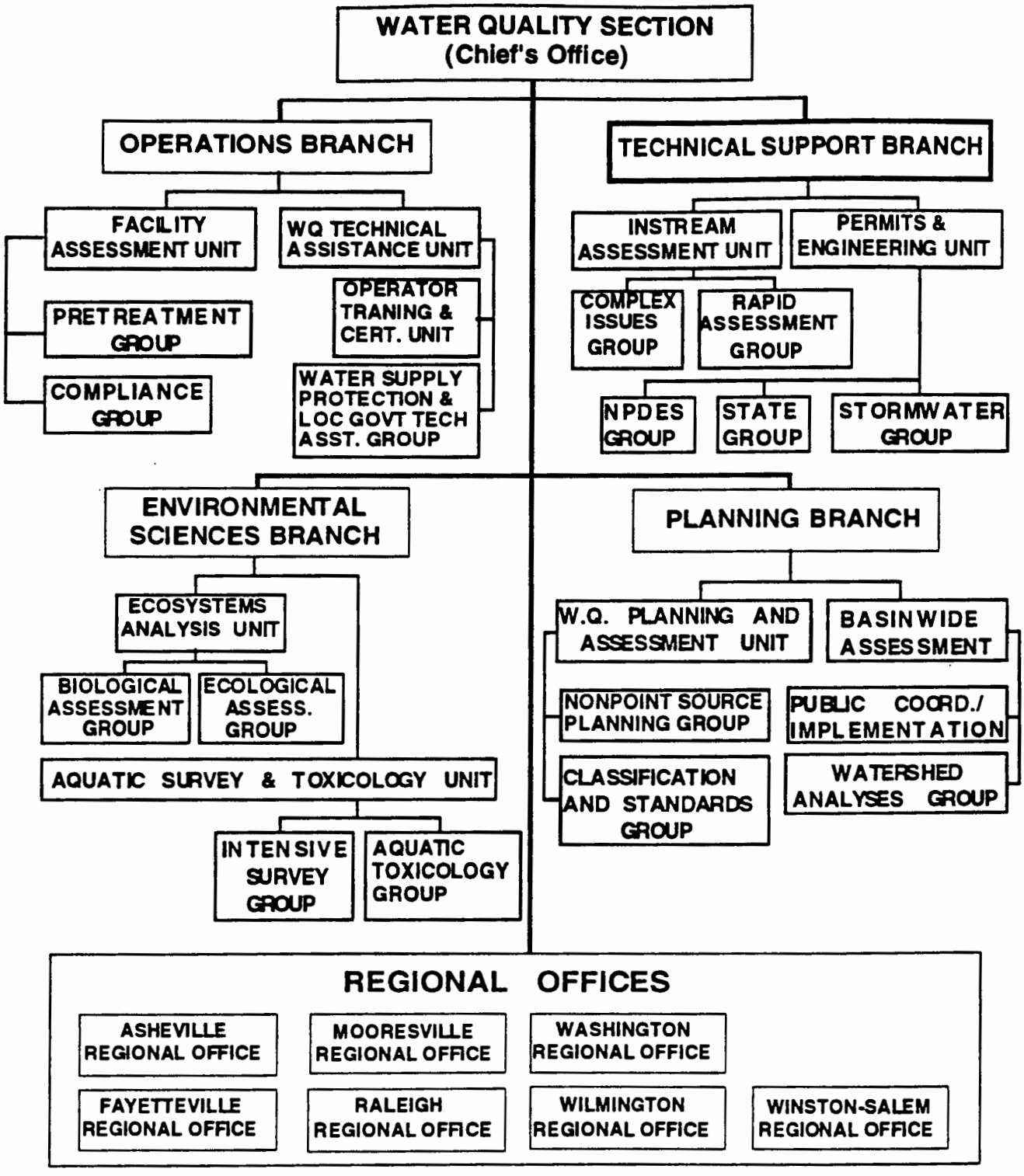


Figure 1. Organizational Structure of the DWQ Water Quality Section

NORTH CAROLINA'S BASINWIDE MANAGEMENT APPROACH

Introduction

Basinwide water quality management is a watershed-based management approach being implemented by DWQ which features basinwide permitting, integrating existing point and nonpoint source control programs, and preparing basinwide management plans. DWQ is applying this approach to each of the seventeen major river basins in the state as a means of better identifying water quality problems, developing appropriate management strategies, maintaining and protecting water quality and aquatic habitat, and assuring equitable distribution of waste assimilative capacity for dischargers.

After conducting public workshops to identify areas of concern and major issues, a basinwide management plan is prepared for each basin. The plans are circulated for public review and are presented at public meetings in each river basin. The management plan for a given basin is completed and approved preceding the scheduled date for basinwide discharge permit renewals in that basin. The plans are then evaluated, based on followup water quality monitoring, and updated at five year intervals.

DWQ began formulating the idea of basinwide management in the late 1980s, established a basin permitting schedule in 1990, began basinwide monitoring activities in 1990, and published a basinwide program description in August 1991. Basinwide management entails coordinating and integrating, by major river basin, DWQ's water quality program activities. These include permitting, monitoring, modeling, nonpoint source assessments, and planning.

Water Quality Program Benefits - Several benefits of basinwide planning and management to North Carolina's Water quality program include:

- ***Improved program efficiency.*** By reducing the area of the state covered each year, monitoring, modeling, and permitting efforts can be focused. As a result, *increased fficiency* can be achieved for a given level of funding and resource allocation.
- ***Increased effectiveness.*** The basinwide approach is in consonance with basic ecological watershed management principles, leading to *more effective* water quality assessment and management. Linkages between aquatic and terrestrial systems are addressed (e.g., contributions from nonpoint sources). All inputs to aquatic systems and potential interactive, synergistic and cumulative effects are considered.
- **Better *consistency and equitability*.** By clearly defining the program's long-term goals and approaches, basinwide plans will encourage *consistent* decision-making on permits and water quality improvement strategies. Consistency and greater attention to long-range planning will promote a *more equitable* distribution of assimilative capacity, explicitly addressing the trade-offs among pollutant sources and allowances for economic growth.
- ***Increased public awareness of the state's water quality protection programs.*** The basinwide plans are an educational tool for increasing public awareness on water quality issues within the basin.
- **Basinwide management promotes *integration* of point and nonpoint source pollution assessment and controls.** Once waste loadings from both point and nonpoint sources are established, management strategies can be developed to prevent overloading of the receiving waters and to allow for a reasonable margin of safety to ensure compliance with water quality standards.

Basinwide Planning Schedule - The following table presents the overall basin schedule for all 17 major river basins in the state. Included are the dates for permit reissuance and the dates by which management plans are to be completed for each basin.

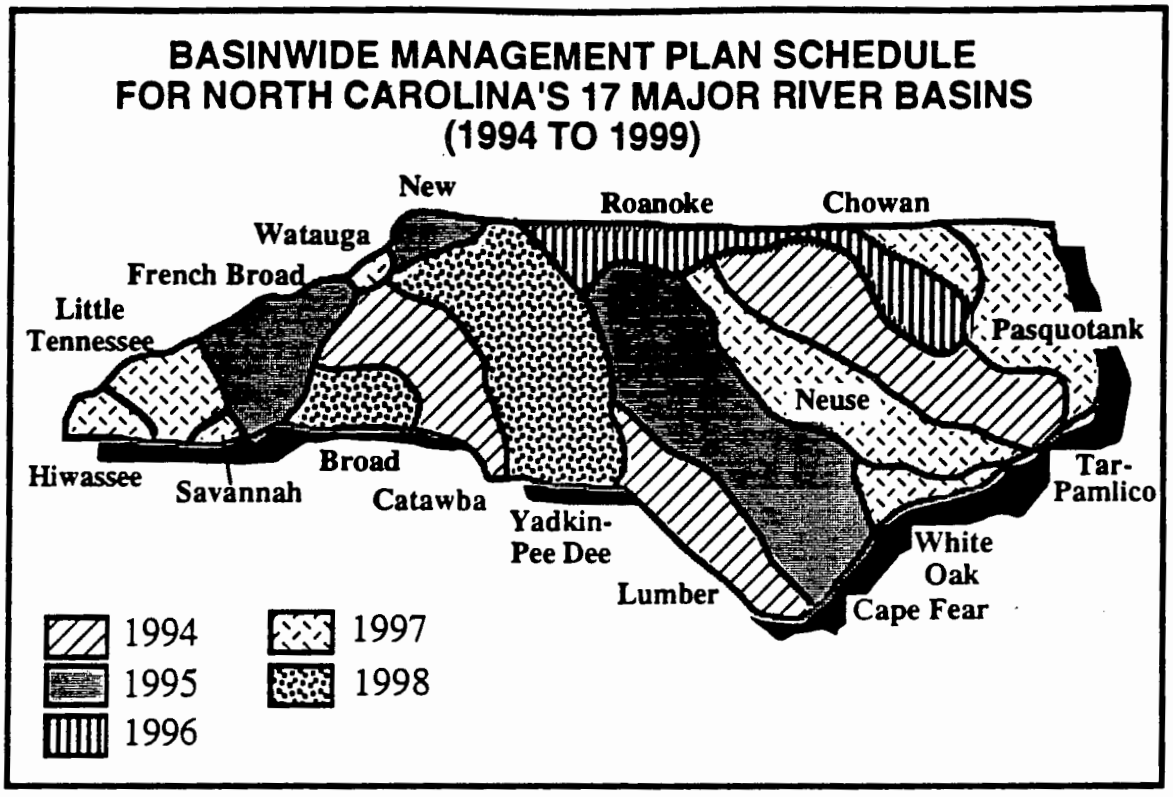


Figure 2. Basinwide Management Plan Schedule (1994 to 1998)

Table 1. Basinwide Permitting and Planning Schedule for North Carolina's 17 Major River Basins (1993 through 1998).

Basin	Target Date for Basin Plan Approval	Discharge Permits to be Issued	Basin	Target Date for Basin Plan Approval	Discharge Permits to be Issued
Neuse	2/93(approved)	4/93	Roanoke	9/96(approved)	1/97
			White Oak	1/97	6/97
Lumber	5/94(approved)	11/94	Savannah	4/97	8/97
			Watauga	4/97	9/97
Tar-Pamlico	12/94(approved)	1/95	Little Tennessee	5/97	10/97
Catawba	2/95(approved)	4/95	Hiwassee	5/97	12/97
French Broad	5/95(approved)	8/95			
New	7/95(approved)	11/95	Chowan	8/97	1/98
			Pasquotank	8/97	1/98
Cape Fear	9/95(approved)	1/96	Neuse (2nd cycle)	11/97	4/98
			Yadkin-Pee Dee	1/98	7/98
			Broad	6/98	11/98

The number of plans to be developed each year varies from one to six and is based on the total number of permits to be issued each year. For example, the Cape Fear basin, the state's largest, has about as many dischargers as all six of the small basins in 1997. This has been done in order to balance the permit processing workload from year to year. In years where more than one basin

is scheduled to be evaluated, an effort has been made to group at least some of the basins geographically in order to minimize travel time and cost for field studies and public meetings.

Plans to be updated every five years - The earliest basin plans will likely not achieve all of the long-term objectives for basinwide management outlined above. However, plans are updated every 5 years. Updated plans will incorporate additional data and new assessment tools (e.g., basinwide water quality modeling) and management strategies (e.g., for reducing nonpoint source contributions) as they become available.

Basinwide Plan Preparation, Review and Public Involvement - Preparation of an individual basinwide management plan is a five year process which is broken down into four phases as described below.

Year	Activity
Year 1 to 3	Water Quality Data Collection/Identification of Goals and Issues: Year 1 entails identifying sampling needs and canvassing for information. It also entails coordinating with other agencies, the academic community and local interest groups to begin establishing goals and objectives and identifying and prioritizing problems and issues. Biomonitoring, fish community and tissue analyses, special studies and other water quality sampling activities are conducted in Years 2 and 3 by DWQ's Environmental Sciences Branch (ESB). These studies provide information for assessing water quality status and trends throughout the basin and provide data for computer modeling.
Year 3 to 4	Data Assessment and Model Preparation: Modeling priorities are identified early in this phase and are refined through assessment of water quality data from the ESB. Data from special studies are then used by DWQ's Technical Support Branch (TSB) to prepare models for estimating potential impacts of waste loading from point and nonpoint sources using the TMDL approach. Preliminary water quality control strategies are developed based on modeling, with input from local governments, the regulated community and citizen groups during this period.
Year 4	Preparation of Draft Basinwide Plan: The draft plan, which is prepared by DWQ's Planning Branch, is due for completion by the end of year 4. It is based on support documents prepared by DWQ's Environmental Sciences Branch (water quality data) and the Technical Support Branch (modeling data and recommended pollution control strategies). Preliminary findings are presented at informal meetings through the year with local governments and interested groups, and comments are incorporated into the draft.
Year 5	Public Review and Approval of Plan: At the beginning of year 5, the draft plan, after approval of the Environmental Management Commission (EMC), is circulated for review and public meetings are held. Revisions are made to the document, based on public comments, and the final document is submitted to the EMC for approval midway through year 5. Basinwide permitting begins at the end of year 5.

Implementation - The implementation of basinwide planning and management will occur in phases. Permitting activities and associated routine support activities (field sampling, modeling, wasteload allocation calculations, etc.) have already been rescheduled by major river basin. All National Pollutant Discharge Elimination System (NPDES) permit renewals within a basin occur within a prescribed time period after completion of the final basin plan, and will be repeated at five year intervals.

Nonpoint source management proposals will be implemented by several different avenues. The Water Quality Section is setting up nonpoint source (NPS) teams for each basin. These teams are made up of representatives of nonpoint source agencies, resource agencies, and special interest groups. The NPS teams are responsible for prioritizing specific watersheds for follow-up investigations, educational efforts, and best management practice (BMP) implementation. Funding for BMP implementation will be sought from sources such as existing cost-share monies or from federal Section 319 grants. In addition to projects in specific watersheds, the NPS team will develop programmatic action plans for each category of nonpoint source pollution. The action plans detail voluntary actions that agencies and groups have committed to complete to protect and improve water quality in the basin. Many of the action plan items involve increased educational efforts or enforcement of existing programs.

SURFACE WATER CLASSIFICATIONS AND WATER QUALITY STANDARDS

Program Overview

North Carolina has established a water quality classification and standards program pursuant to G.S. 143-214.1. Classifications and standards are developed pursuant to 15A NCAC 2B. 0100 - Procedures for Assignment of Water Quality Standards. Waters were classified for their "best usage" in North Carolina beginning in the early 1950's, with classification and water quality standards for all the state's river basins adopted by 1963. The effort to accomplish this included identification of waterbodies (which included all named waterbodies on USGS 7.5 minute topographic maps), studies of river basins to document sources of pollution and appropriate best uses and formal adoption of standards/classifications following public hearings.

The Water Quality Standards program in North Carolina has evolved over time and has been modified to be consistent with the Federal Clean Water Act and its amendments. Water quality classifications and standards have also been modified to promote protection of surface water supply watersheds, high quality waters and the protection of unique and special pristine waters with outstanding resource values. Classifications and standards are applied to provide protection of uses from both point and nonpoint source pollution.

Statewide Classifications

All of the surface waters of North Carolina (creeks, rivers, estuaries, sounds, oceans, etc.) are classified according to their "best use." The state's surface waters were initially classified in the late nineteen-fifties based on general surveys of water quality and purposes for which waters were being used. As various surface waters are identified as being inappropriately classified (through reclassification requests from the public and/or studies conducted by DEM, reclassification is pursued.

Under this system, all surface waters in the state are assigned a *primary* classification that is appropriate to the best uses of that water body (e.g., aquatic life support and swimming). Primary freshwater classifications include the following: *C*, *B* and *WS* (Water Supply) *I* through *WS-V*. The WS freshwater classifications may also include a *CA* designation which stands for critical area. The critical area is an area in close proximity to a water supply intake and/or the shoreline of the reservoir in which it is located. Primary saltwater classifications include *SC*, *SB* and *SA*. SC and SB are saltwater counterparts to the freshwater C and B classifications. SA is a classification assigned to waters used for shellfish harvesting. SA, WS-I and WS-II are also, by definition, considered to be High Quality Waters, as discussed below. The following is a list of basic surface

water uses recognized in North Carolina's surface water quality classifications and standards rules and the primary freshwater classifications with which those uses are associated:

Use	Primary Classification
maintenance and propagation of aquatic life; secondary recreation	C
primary recreation (e.g. frequent swimming)	B
water supply	WS-I, WS-II, WS-III, WS-IV, WS-V

In addition to the above primary classifications, there are a variety of supplemental classifications which are applied, as appropriate, in conjunction with primary classifications in order to provide added protection to waters required to maintain and protect their existing uses. Most of these have been developed in order to afford special protection to sensitive or highly valued resource waters. Therefore, while all surface waters are assigned a primary classification, they may also have one or more supplemental classifications. For example, a typical freshwater stream in the mountains might have a C Tr classification where C is the primary classification followed by the Tr supplemental classification. The following is a list of North Carolina's supplemental classifications and the resources or uses that they are intended to protect or the conditions for which they are designed to address in order to protect their existing uses.

Resource/Condition	Supplemental Classification
trout populations	Tr
natural swamp conditions	Sw
nutrient over-enrichment	Nutrient Sensitive Waters (NSW)
streams with excellent water quality or special designation	High Quality Waters (HQW)
streams with excellent water quality and an outstanding resource	Outstanding Resource Waters (ORW)
streams suitable for a future water supply	Future Water Supply (FWS)

Statewide Water Quality Standards

Each primary and supplemental classification is assigned a set of water quality *standards* that establish the level of water quality that must be maintained in the water body to support the uses associated with each classification. Currently North Carolina has water quality standards for 64 parameters. These standards are further broken down for the protection of best uses which include aquatic life, human health, raw water supplies, shellfish and trout waters. In addition to these standards, criteria for use in permitting and pretreatment programs have been developed for special cases where a single discharge may contain a parameter not included in North Carolina's water quality standards. In those cases, EPA criteria or, in the case of substances without EPA criteria, criteria developed following DEM standard operating procedure for water quality standards development are used.

Classifications and standards have been broadly interpreted to provide protection of uses from both point and nonpoint source pollution. Stormwater rules to protect uses and standards of coastal waters, High Quality Waters, Outstanding Resource Waters and Water Supplies are examples of the utilization of North Carolina's water quality standards authorities. Some of the standards, particularly for HQW and ORW waters, outline protective management strategies aimed at controlling point and nonpoint source pollution. These strategies are discussed briefly below. The standards for C and SC waters establish the basic protection level for all state surface waters. With the exception of Sw, all of the other primary and supplemental classifications have more stringent standards than for C and SC and therefore require higher levels of protection.

High Quality Waters

Some of North Carolina's surface waters are relatively unaffected by pollution sources and have water quality higher than the standards that are applied to the majority of the waters of the state. In addition, some waters provide habitat for sensitive biota such as trout, juvenile fish or rare and endangered aquatic species.

In an effort to protect waters that possess such characteristics, surface waters in the following categories qualify for classification as High Quality Waters or HQW:

1) waters rated as Excellent based on chemical and biological sampling (Division of Water Quality (DWQ) assigns water quality ratings to North Carolina's surface waters based on biological and chemical data);
2) streams designated by the Wildlife Resources Commission as native and special native trout waters or primary nursery areas;
3) waters designated as primary nursery areas by the Division of Marine Fisheries; and
4) critical habitat areas designated by the Wildlife Resources Commission or the Department of Agriculture. Waters classified by the Division of Water Quality as WS-I, WS-II and SA are HQW by definition, but these waters are not specifically assigned the HQW classification because the standards for WS-I, WS-II and SA waters are at least as stringent as those for waters classified as HQW.

Special HQW protection management strategies are presented in 15A NCAC 2B.0201(d), and implemented through 15A NCAC 2B .0224. These measures are intended to prevent degradation of water quality below present levels from both point and nonpoint sources. HQW requirements for new wastewater discharge facilities and facilities which expand beyond their currently permitted loadings address oxygen-consuming wastes, total suspended solids, disinfection, emergency requirements, volume, nutrients (in nutrient sensitive waters) and toxic substances.

For nonpoint source pollution, development activities which require an Erosion and Sedimentation Control Plan in accordance with rules established by the NC Sedimentation Control Commission or local erosion and sedimentation control program approved in accordance with 15A NCAC 4B

. 0218, and which drain to and are within one mile of HQWs will be required to control runoff from the development using either a low density or high density option described in 15A NCAC 2H. 1006. In addition, the Division of Land Quality requires more stringent sedimentation cntrols for land disturbing projects within one mile and draining to HQWs.

Outstanding Resource Waters

A small percentage of North Carolina's surface waters have excellent water quality (rated based on biological and chemical sampling as with HQWs) and an associated outstanding resource. The Outstanding Resource Waters rule defines outstanding resource values as:

1) outstanding fishery resource;
2) a high level of water-based recreation;
3) a special designation such as National Wild and Scenic River or a National Wildlife Refuge;
4) being within a state or national park or forest; or 5) having special ecological or scientific significance.

The requirements for ORW waters are more stringent than those for HQWs. Special protection measures that apply to North Carolina ORWs are set forth in 15A NCAC 2B .0225. At a minimum, no new discharges or expansions are permitted, and stormwater controls for most new development are required. In some circumstances, the unique characteristics of the waters and resources that are to be protected require that a specialized (or customized) ORW management strategy be developed.

WATER QUALITY MONITORING PROGRAMS

General

North Carolina's surface water quality monitoring includes a multidisciplinary approach in collecting, analyzing, and reporting scientific information relative to the quality, habitat, and biological integrity of surface waters in North Carolina. Use of information derived in this effort includes but is not limited to evaluation of impacts from source or nonpoint source activities, defining attainable use of specific water bodies, development of appropriate criteria and standards, evaluation of existing criteria and standards relative to protection of uses, supporting enforcement actions, determination of assimilative capacity, and support of various mathematical models. All information is now integrated into a comprehensive assessment of surface waters within entire river basins as an important component of Basinwide Management Plans. Below is a list of the seven major monitoring programs, each of which is briefly described in the following text.

- Benthic macroinvertebrate monitoring,
- Fish population and tissue monitoring,
- Lakes assessment (including phytoplankton monitoring),
- Aquatic toxicity monitoring,
- Special studies and chemical/physical water quality investigations,
- Sediment oxygen demand monitoring, and
- Ambient water quality monitoring (covering the period 1990-1994).

Benthic Macroinvertebrate Monitoring

Benthic macroinvertebrates, or benthos, are organisms that live in and on the bottom of rivers, streams and estuaries. The benthic organisms collected most often in freshwater monitoring are aquatic insect larvae. In estuarine (saltwater) systems the benthic organisms most often collected include molluscs (such as clams and snails), crustaceans (such as crabs and shrimp) and polychaetes (worms). The use of benthos data has proven to be a reliable water quality assessment tool, as these organisms are relatively immobile and sensitive to subtle changes in water quality. Since many organisms in a community have life cycles of six months to one year, the effects of short term pollution (such as an oil or chemical spill) will generally not be overcome until the following generation appears. The benthic community also responds to, and shows the effects of, a wide array of potential pollutant mixtures.

For *freshwater* streams and rivers, criteria have been developed to assign five bioclassifications ranging from Poor to Excellent to each benthic sample. The bioclassifications include Excellent, Good, Good- Fair, Fair and Poor. The bioclassifications are based on the number of different kinds of species (taxa) present in three groups of pollution-intolerant insect larvae: Ephemeroptera (mayflies), Plecoptera (stoneflies) and Trichoptera (caddisflies). These three groups are used to develop EPT ratings. Likewise, ratings can be assigned with a Biotic Index (Appendix II). This index summarizes tolerance data for all taxa in each collection. The two rankings are given equal weight in final site classification. Higher taxa richness values (i.e. a greater number of different kinds of species) are associated with better water quality. These bioclassifications primarily reflect the influence of chemical pollutants. The major physical pollutant, sediment, is inadequately assessed by a taxa richness analysis alone. Different classification criteria have been developed for different ecoregions (mountains, piedmont and coastal plain) within North Carolina.

For *estuarine* waters the effort to develop a method to assess water quality based on macroinvertebrates started in North Carolina in late 1990. An Estuarine Biotic Index designed for Florida was modified to create the North Carolina Estuarine Biotic Index (EBI) which more closely reflects taxa and tolerences in North Carolina and can accuately rank sites of different water quality. Biocriteria based on these metrics are still being developed, so at the present time estuarine samples cannot be given a water quality rating.

Fisheries Monitoring

To the public, the condition of the fishery is one of the most meaningful indicators of ecological integrity. Fish occupy the upper levels of the aquatic food web and are both directly and indirectly affected by chemical and physical changes in the environment. Water quality conditions that significantly affect lower levels of the food web will affect the abundance, species composition, and condition of the fish population. Two types of fisheries monitoring are conducted by DWQ and described briefly below. The first, called Fish Community Structure, involves assessing the overall health of the fish community. The second, called Fish Tissue Analysis, involves analyzing fish tissues to determine whether they are accumulating metals or organic chemicals. This information is useful as an indicator of water quality and is also used to determine whether human consumption of these fish poses a potential health risk.

Fish Community Structure

As noted above, fish community structure involves assessing the overall health of the fish community as a means of assessing the quality of the ecosystem in which the fish reside. Fish community structure is assessed using a method called the North Carolina Index of Biotic Integrity (NCIBI). This method, which is a modification of Karr's IBI (1981), was developed as a method

for assessing a stream's biological integrity by examining the structure and health of its fish community. The index, (which is described in more detail in Appendix II), incorporates information about species richness and composition, trophic composition, fish abundance and fish condition. At this time there is no Index of Biotic Integrity calculated for fish populations in lakes.

The NCIBI summarizes the effects of all classes of factors influencing aquatic faunal communities (water quality, energy source, habitat quality, flow regime, and biotic interactions). While any change in a fish community can be caused by many factors, certain aspects of the community are generally more responsive to specific influences. Species composition measurements reflect habitat quality effects. Information on trophic composition reflects the effect of biotic interactions and energy supply. Fish abundance and condition information indicates additional water quality effects. It should be noted, however, that these responses may overlap. For example, a change in fish abundance may be due to decreased energy supply or a decline in habitat quality, not necessarily a change in water quality.

Fish Tissue Analysis

Since fish spend their entire lives in the aquatic environment, they incorporate chemicals from this environment into their body tissues. Therefore, by analyzing fish tissue, determinations about what chemicals are in the water can be made. Contamination of aquatic resources, including freshwater, estuarine, and marine fish and shellfish species has been documented for heavy metals, pesticides, and other complex organic compounds. Once these contaminants reach surface waters, they may be available for bioaccumulation either directly or through aquatic food webs and may accumulate in fish and shellfish tissues. Therefore, results from fish tissue monitoring can serve as an important indicator of contamination of sediments and surface water. Fish tissue analysis results are also used as indicators for human health concerns, fish and wildlife health concerns, and the presence and concentrations of various chemicals in the ecosystem.

In evaluating fish tissue analysis results, several different types of criteria are used. Human health concerns related to fish consumption are screened by comparing results with federal Food and Drug Administration (FDA) *action levels* and U.S. Environmental Protection Agency (EPA) recommended *screening values* for contaminants.

The FDA levels were developed to protect humans from the chronic effects of toxic substances consumed in foodstuffs and thus employ a "safe level" approach to fish tissue consumption. A list of fish tissue parameters accompanied by their FDA criteria are presented in Appendix II. At present, the FDA has only developed metals action level criteria for mercury (1.0 ppm). Individual parameters which appear to be of potential human health concern are evaluated by the N.C. Division of Epidemiology by request of DWQ.

Lakes Assessment Program (including Phytoplankton)

Lakes are valued for the multiple benefits they provide to the public, including recreational boating, fishing, drinking water, and aesthetic enjoyment. The North Carolina Lakes Assessment Program seeks to protect these waters through monitoring, pollution prevention and control, and restoration activities. Assessments have been made at all publicly accessible lakes, at lakes which supply domestic drinking water, and lakes (public or private) where water quality problems have been observed.

One way to evaluate the health of a lake is to examine the growth of phytoplankton. Phytoplankton are microscopic algae found in the water column of lakes, rivers, streams, and estuaries. Phytoplankton populations respond to the availability of nutrients (phosphorus and nitrogen) and

other environmental factors such as light, temperature, pH, salinity, water velocity, and grazing by organisms in higher trophic levels. Phytoplankton may be useful as indicators of nutrient overenrichment (see following paragraph on trophic status) and are often collected with water quality samples from lakes. Prolific growths of phytoplankton sometimes result in "blooms" in which one or more species of algae may discolor the water or form visible mats on top of the water. These blooms, which are often due to high concentrations of nutrients, may be unsightly and deleterious to water quality, causing fish kills, anoxia, or taste and odor problems. An Algal Bloom Program was initiated in 1984 to document suspected algal blooms with species identification, quantitative biovolume, and density estimates. Usually, an algal sample with a biovolume larger than 5000 mm^3/m^3, density greater than 10,000 units/ml, or chlorophyll *a* concentration approaching or exceeding 40 µg/l (the North Carolina state standard) constitutes a bloom. Bloom samples may be collected as a result of complaint investigations, fish kills, or during routine monitoring if a bloom is suspected.

Another measure of water quality in lakes is the North Carolina Trophic State Index (NCTSI). This is a numerical index that is used to evaluate the trophic status of lakes, and it can be used to determine whether the designated uses of a lake have been threatened or impaired by pollution. Trophic status is a relative measure of nutrient enrichment and productivity. The NCTSI index is based on total phosphorus, total organic nitrogen, secchi depth (water clarity indicator) and chlorophyll-a. Basin on this index, a lake is assigned one of five trophic status classifications: Oligotrophic, Mesotrophic, Eutrophic, Hypereutrophic and Dystrophic. Oligotrophic lakes are those that have the lowest levels of enrichment and generally have good clarity and no problems with algal blooms. At the other end of the spectrum are eutrophic and hypereutrophic lakes which have a lot of plant productivity which can cause nuisance problems and have little clarity in the water column. Dystrophic lakes are acidic blackwater lakes scattered throughout the coastal plain. Their NCTSI scores are highly skewed because of their natural discoloration. Further details of the NCTSI can be found in Appendix II.

Aquatic Toxicity Monitoring

Acute and/or chronic toxicity tests are used to determine toxicity of wastewater treatment discharges to sensitive aquatic species (usually fathead minnows or the water flea, *Ceriodaphnia dubia*). Results of these tests have been shown by several researchers to be predictive of discharge effects on receiving stream populations. The Aquatic Survey and Toxicology Unit maintains a compliance summary for all facilities required to perform tests and provides a monthly update of this information to regional offices and DWQ administration. Ambient toxicity tests can be used to evaluate stream water quality relative to other stream sites and/or a point source discharge.

Special Studies and Chemical/Physical Characterizations

Water quality simulation models are often used for the purpose of determining wasteload allocations. These models must accurately predict water body responses to different waste loads so that appropriate effluent limits can be included as requirements in National Pollutant Discharge Elimination System (NPDES) permits. Where large financial expenditures or the protection of water quality is at risk, models should be calibrated and verified with actual in-stream data. Because sufficient historical data are often lacking, intensive water quality surveys are required to provide the field data necessary to accomplish model calibration and verification. Intensive water quality surveys are performed on water bodies below existing or proposed wastewater dischargers and usually consist of a time-of-travel dye study, flow measurements, physical and chemical samples, long-term biochemical oxygen demand (BOD_{lt}) analysis, water body channel geometry, and effluent characterization analysis.

Sediment Oxygen Demand

The concentration of dissolved oxygen in surface waters can be affected by bacterial action and chemical processes in bottom sediments. If oxygen depletion in surface waters is suspected due to the characteristics of bottom sediments, then sediment oxygen demand (SOD) studies may be performed. Each stream reach is divided into a series of segments. The number of stream segments that must be evaluated with an intensive survey depends on the individual study and the spatial resolution desired. Intensive surveys and SOD evaluations are reported as a series of field data tables and summaries of laboratory analysis reports.

Ambient Monitoring System

The Ambient Monitoring System (AMS) is a network of stream, lake and estuarine (saltwater) water quality monitoring stations (about 380 statewide) strategically located for the collection of physical and chemical water quality data. The type of water quality data, or parameters, that are collected is determined by the waterbody's freshwater or saltwater classification and corresponding water quality standards. Table 4.1 summarizes the types of water quality data collected at ambient stations.

Table 4.1 Ambient Monitoring System Parameters

C and SC WATERS (minimum monthly coverage for all stream stations)
- dissolved oxygen,
- pH,
- conductivity,
- temperature,
- salinity (SC),
- secchi disk (where appropriate),
- nutrients: total phosphorus, ammonia, total Kjeldahl nitrogen, nitrate+nitrite,
- total suspended solids,
- turbidity,
- hardness,
- chlorides (SC),
- fecal coliforms,
- metals: aluminum, arsenic, cadmium, chromium, copper, iron, lead, mercury, nickel, silver, zinc

NUTRIENT-SENSITIVE WATERS:
- Chlorophyll *a* (where appropriate)

WATER SUPPLY
- chlorides,
- total coliforms,
- manganese,
- total dissolved solids

SA WATERS:
- Fecal coliforms

Use Support of Waterbodies

Determining the *use support* status of a waterbody, (that is, how well a waterbody supports its designated uses), is another important method of interpreting water quality data and assessing water quality. Use support assessments are presented in each basinwide plan using figures, tables and maps for freshwater streams, lakes and estuaries.

Surface waters (streams, lakes or estuaries) are rated as either *fully supporting* (S), *support-threatened* (ST), *partially supporting* (PS), or *nonsupporting* (NS). The terms refer to whether the classified uses of the water (such as water supply, aquatic life protection and swimming) are being fully supported, partially supported or are not supported. For instance, saltwaters classified for commercial shellfish harvesting (SA) would be rated as fully supporting if bacterial levels in the

water were low enough to allow harvesting (<14 MPN). However, if fecal coliform bacteria levels were too high to allow shellfish to be harvested (>14 MPN), but not too high to prevent swimming (<200 MPN), then the waters would be rated as partially supporting since they only support the swimming. If the waters were impacted to the point that even swimming was disallowed, the waters would be rated as nonsupporting. Streams rated as either partially supporting or nonsupporting are considered *impaired.* The support-threatened category for freshwater rivers and streams refers to those waters classified as good-fair based on water quality data, in contrast to excellent or good which are considered fully supporting. An overall fully supporting rating, however, does include both fully supporting and support-threatened waters. Streams which had no data to determine their use support were listed as non-evaluated (NE).

The term *impaired* refers to waters that are rated either partially supporting or not supporting their uses based on specific criteria discussed more fully below. There must be a specified degree of degradation before a stream is considered impaired. This differs from the word impacted, which can refer to any noticeable or measurable change in water quality, good or bad.

The assessment of water quality involves evaluation of available water quality data to determine a water body's use support rating. In addition, an effort was made to determine likely causes (e.g., sediment or nutrients) and sources (e.g., agriculture, urban runoff, point sources) of pollution for waters that did not support their designated uses (i.e., those found to be either partially or nonsupporting). These data consisted of biological and chemical ratings, reports of citizen complaints, responses to mailings requesting water quality information, land-use reviews of topographic maps, and best professional judgment (see Data Analysis Methodology section for more details). By including best professional judgments (i.e., perceived water quality problems) in deciding the overall water quality ratings and the potential sources of pollution, a much broader, but less precise, picture of water quality conditions in the basin was developed.

Interpretation of these data compiled by DWQ should be done cautiously. The methodology used to acquire the numbers must be understood, as should the purpose for which the numbers were generated. The intent of this use-support assessment is to gain an overall picture of the relative contribution made by different categories of pollution

NORTH CAROLINA'S POINT SOURCE CONTROL PROGRAM

General

North Carolina does not allow point source discharges without a permit. Discharge permits are issued under the authority of North Carolina General Statute (NCGS) 143.215.1 and the National Pollutant Discharge Elimination System (NPDES) program. The NPDES program was delegated to North Carolina from the US Environmental Protection Agency. These permits serve as both state and federal permits. North Carolina has a comprehensive NPDES program which includes the permitting of both wastewater and stormwater discharges.

NPDES permits are issued in two categories; individual or general. Individual permits are issued to a specific facility and contain site specific requirements and incorporate recommendations from the basinwide water quality management plan. Individual NPDES permits are typically issued for a five year cycle with all permits in a river basin expiring at the same time. This permitting strategy allows for comprehensive review of individual dischargers within the basin and implementation of recommendations contained in the basinwide water quality management plan. New discharge permits issued during an interim period are given a shorter cycle so that expiration coincides with the basin permitting cycle. Under the NPDES wastewater permitting program, each NPDES

discharger is assigned either *major* or *minor* status. For municipalities, all dischargers with a flow of greater than 1 million gallons per day (MGD) are classified as major.

General permits are developed for a general type of industry and contain permit requirements that are appropriate for a typical facility within a specific industrial classification. Facilities engaged in the specific industrial activities are eligible for permit coverage under the general permit. Facilities that are deemed to be atypical or have a history of water quality problems are required to obtain an individual permit. Because general permits are specific to a type of industrial activity and are issued statewide they do not contain basin specific measures. A general permit is typically issued for a five year cycle, which expires statewide on the same date.

Discharge permits are issued under the authority of North Carolina General Statute (NCGS) 143.215.1 and the National Pollutant Discharge Elimination System (NPDES) program. NPDES permits establish effluent limitations on the maximum level of wastes or pollutants, that may be discharged into surface waters. North Carolina has a very comprehensive NPDES program that includes the following major components:

1. NPDES Permit Review and Processing,
2. Wasteload Allocation Modeling,
3. Compliance Monitoring and Enforcement,
4. Aquatic Toxicity Testing,
5. Pretreatment,
6. Operator Certification and Training and
7. Nondischarge and Regional Wastewater Treatment Alternatives.

Below is a brief summary of key components of North Carolina's NPDES program

NPDES Permit Review and Processing

In North Carolina, the issuance of discharge permits is coordinated with the basinwide planning process. Thus, DWQ issues all discharge permits within a given basin at approximately the same time. These permits are valid for five years. New discharge permits issued during an interim period between cycles will have a shorter expiration period in order to coincide with the next basin permitting cycle. Thus, DWQ can more effectively monitor and modify its permitting system consistently across the river basins.

DWQ will not process a permit application until the application is complete. The requirements for discharge permit application and processing are outlined in Administrative Code Section: 15A NCAC 2H .0100 - Wastewater Discharges to Surface Waters. Under this rule, all applications must include a feasibility analysis on alternative disposal options, such as spray irrigation, and justification for the selection of the discharge option. In addition, all new wastewater discharge permit applications must include an engineering proposal which includes a description of the origin, type, and flow of wastewater, a summary of waste treatment and disposal options, and a narrative description of the proposed treatment works and why the proposed system and point of discharge were selected.

Applications for new discharges greater than 500,000 gallons per day of wastewater, 10 million gallons per day (MGD) of cooling water, or 1 MGD of any other type of effluent must include an *assessment* report in addition to the normal permit application. The assessment is to provide sufficient information to describe the impact of the proposed action on the waters in the area. DWQ may also require an Environmental Impact Statement or Environmental Assessment, under the NC Environmental Policy Act for certain publicly funded projects.

DWQ staff establish waste limits for permit applications based on a wasteload allocation process (described in the following section). The staff review also includes a site inspection (for existing facilities up for renewal, the inspection may be conducted prior to submittal of a complete application). If DWQ finds the application acceptable, it will issue a public notice (called a Notice of Intent to Issue) in newspapers having wide circulation in the local area. The Notice of Intent includes all of the permit applications for a particular subbasin (or subbasins) that will be issued within a given month. The public then has a 30-day period to comment on the proposed permit. If the public expresses sufficient interest in one or more of the applications, DWQ may hold a public hearing.

DWQ also sends copies of the Notice of Intent to a number of state and federal agencies for comment. For example, the Division of Environmental Health reviews the applications for their potential impact on surface water sources of drinking water. Once DWQ received and evaluates the comments, the Director of DWQ decides whether to issue or deny the permit. The final permit will include recommended waste limits and other special conditions that may be necessary to ensure protection of water quality standards.

Establishing Discharge Permit Effluent Limitations/Wasteload Allocations

Effluent limitations, also called waste limits, dictate the amounts of wastes (pollutants), that the permittee is allowed to discharge into surface waters under an NPDES permit. Before DWQ issues a discharge permit, it evaluates the projected impact of the discharge on the receiving waters. This determination, called a wasteload allocation (WLA), is usually based on a computer model which considers many factors, including the characteristics of the waste (e.g., flow and type) and the characteristics of the receiving waters (e.g., flow, waste assimilative capacity, channel configuration, rate of reaeration, water quality classification). DWQ determines permit limits using models called water quality-based limits. DWQ also bases some permit limits based on federal effluent guidelines established by the USEPA.

DWQ performs wasteload allocations by using various models, depending on the parameter (type of pollutant) of interest and the characteristics of the receiving waters. Model frameworks (discussed in more detail in Appendix IV) can range from simple mass balance analyses to 3-dimensional dynamic water quality models. Modeling fits into the basin plan by drawing on the current conditions within the basin and evaluating the effects of various management strategies. DWQ uses models for a number of objectives, including determining the fate and transport of pollutants, setting reduction goals for point and nonpoint sources, and to derive effluent limits for NPDES permits. For example, models can be used to predict concentrations of a parameter at a given site, such as instream DO or chlorophyll *a* in a lake.

Models can also be a tool for determining the level of pollutant reductions needed to protect instream standards. In addition, DWQ performs uncertainty analyses of water quality models to expand their predictive capabilities and increase confidence in results. Waste limits may vary from summer to winter for some parameters, such as nutrients and ammonia, with winter limits being somewhat less stringent than summer limits due to higher instream flows during the winter months.

When point sources are responsible for water quality problems, WLAs can yield appropriate permit limits that offer adequate water quality protection. Where a sole discharge is responsible for the water quality impacts, DWQ can perform a simple WLA without considering other discharges. In this case, DWQ will establish limits in accordance with the state's Standard Operating Procedures

(SOP) for Wasteload Allocations manual. The SOP manual has been developed to support State and Federal regulations and guidelines and has been approved by the EPA.

Point source discharges generally have the most impact on a stream during low flow conditions when the percentage of treated effluent within the stream is greatest. Effluent limits are generally set to protect the stream during these low flow conditions. A critical factor in determining the wasteload for an individual discharge is whether the receiving waters have a flow during 7Q10 or 30Q2 conditions. (The 7Q10 is the lowest flow which occurs over seven consecutive days and which has an average recurrence of once in ten years.) DWQ's policy prohibits new or expanded discharges into "no flow" streams that have a 7Q10 and a 30Q2 equal to zero. In addition, DWQ will look for ways to remove existing discharges on such streams unless it is determined that there are no reasonable alternatives. If it is not feasible to remove the discharge, then the facility will be required to meet limits of 5 mg/l BOD_5 and 2 mg/l NH_3N in summer (and 10 mg/l BOD_5 and 4 mg/l NH_3N in winter).

When numerous discharges affect water quality, the Environmental Management Commission is required to consider the cumulative impacts of all of the permitted discharges to a water body (pursuant to NCGS 143-215.1(b)(2)). Such areas are identified and discussed in Chapter 6. Generally, these are areas where the SOP alone does not provide adequate guidance. Since the SOP addresses mostly single discharge or relatively simple interaction of multiple discharges, WLA procedures outside the realm of the SOP represent the larger, basinwide strategy that DWQ is implementing.

Compliance Monitoring and Enforcement

Most dischargers are required to periodically sample the treated effluent from their discharge pipes. This process is called self-monitoring and it is typically required five days a week for some parameters (Monday through Friday) for major facilities. The sampling results (contained in a daily monitoring report or DMR) are then submitted each month to DWQ for compliance evaluations.

NPDES facilities are required to monitor for all pollutants for which they have permit limits as well as other pollutants which may be present in their wastewater. All domestic wastewater dischargers are required to monitor flow, dissolved oxygen, temperature, fecal coliform, BOD, ammonia, and chlorine (if they use it as a disinfectant). In addition, wastewater treatment facilities with industrial sources may have to monitor for chemical specific toxicants and/or whole effluent toxicity, and all dischargers with design flows greater than 50,000 gallons per day (GPD) monitor for total phosphorus and total nitrogen. The aquatic toxicity program is described below in more detail. Minimum NPDES wastewater monitoring requirements are provided in 15A NCAC 2B .0500. Also, many larger and more complex dischargers are required to sample points in the receiving waters both up and downstream from the discharge point.

Other methods of collecting point source information include effluent sampling by DWQ during inspections and special studies. The regional offices may collect data at a given facility if they believe there may be an operational problem or as a routine compliance check. DWQ may collect effluent data during intensive surveys of segments of streams. Extensive discharger data have been collected during on-site toxicity tests.

If a plant does not meet its permitted limits, DWQ may take one or more of the following actions: issue a notice of violation, initiate enforcement action, place the facility on moratorium, and/or enter into a Special Order by Consent (SOC). An SOC is a legal commitment entered into by the state and the discharger that establishes a time schedule for bringing the wastewater treatment plant

back into compliance. During this time period, interim waste limits may be assigned to the facility until the improvements can be made. These interim limits may be less stringent than those in the permit although they are still required to protect water quality in the receiving waters.

In addition to the DMR data, illegal or improperly treated discharges may be identified in other ways including through third party reports, routine DWQ site inspections, and water quality monitoring conducted by DWQ staff.

Aquatic Toxicity Testing

There are thousands of chemicals and compounds that can enter wastewater systems and potentially be discharged to surface waters. Treatment plants are unable to monitor each of these chemicals individually due to limited funds and time, and limits in the ability of current analytical techniques to detect some pollutants. Even if the existence and potential effects of every constituent of a wastewater were known, the combined effects of these constituents could not be predicted.

North Carolina uses an integrated approach to aquatic toxicity testing that includes monitoring specific chemicals, assessing resident aquatic populations, and analyzing whole effluent toxicity (WET). Whole effluent toxicity limits predict the impacts of toxicants by measuring those impacts in a laboratory setting. It is from this same foundation of aquatic toxicity laboratory tests that chemical specific limits and criteria are derived for the majority of chemical toxicants.

In February 1987, North Carolina implemented a policy to incorporate WET limits for all major and complex minor permits. As of June 1996, 567 permitted NPDES discharges were required to perform WET monitoring, and over 15,000 individual toxicity analyses had been performed for plants across the state. WET limits were developed to protect aquatic life from the discharge of substances in toxic amounts as prescribed by 15 NCAC 2B. 0208 (i.e. so as not to result in chronic toxicity at permitted discharge flow and 7Q10 receiving flow volumes). Since the inception of the program, a change in WET limitations has been observed. Previously, DWQ had predicted that approximately 25% of the facilities tested to be acutely toxic instream; however, DWQ has lowered that prediction to ten percent.

Aquatic toxicity testing, like other complex analytical techniques, requires a great deal of quality assurance and control to achieve reliable results. In 1988, North Carolina initiated a program that requires all laboratories performing NPDES analyses in North Carolina to be certified by the state as a biological laboratory. As of June 1996, 22 commercial, municipal, and industrial laboratories had achieved this certification in either aquatic toxicity analyses and/or aquatic population survey. The NC Biological Laboratory Certification Program, much like WET permitting in North Carolina, is looked at as a national leader in its field.

Pretreatment Program

The goal of pretreatment program is to protect municipal treatment plants or publicly-owned treatment works (POTWs) as well as the environment from the discharge of hazardous or toxic wastes into a public sewage system. The pretreatment program regulates non-domestic (e.g., industrial) users of POTWs that discharge toxic wastes under the Domestic Sewage Exclusion of the Resource Conservation and Recovery Act (RCRA). In essence, the program requires that businesses and other entities that use or produce toxic wastes pretreat their wastes prior to discharging their wastewater into the sewage collection system of POTW. State-approved pretreatment programs are typically administered by local governments that operate POTWs.

Local pretreatment program address four areas of concern: (1) interference with POTW operations, (2) pass-through of pollutants to a receiving stream, (3) municipal sludge contamination, and (4) exposure of workers to chemical hazards. Interference refers to any problem with plant operation, including physical obstruction and inhibition of biological activity. DWQ and the local government develop local pretreatment limits by determining the maximum amount of each pollutant the plant can accept at the influent (or headworks) and still protect the receiving water, the POTW itself, and the POTW's sludge disposal options.

Operator Certification and Training Program

Water pollution control systems must be operated by individuals certified by the North Carolina Water Pollution Control System Operators Certification Commission (WPCSOCC).. It is the goal of the program to provide competent and conscientious professionals that will protect both the environment and public health. The level of training and certification that the operator must have is based on the type and complexity of the wastewater treatment system. These systems include: wastewater treatment plants, wastewater collection systems and "non-discharge" ground absorption systems, such as alternative on-site disposal technologies and spray irrigation facilities. The Commission currently certifies operators in four grades of wastewater treatment, four grades of collection system operation, subsurface operation, spray irrigation operation, animal waste management and a variety of specialized conditional exams for specific technologies (e.g. oil/water separators).

The Technical Assistance and Certification Group of the North Carolina Division of Water Quality provides staff support for the Commission and assists in organizing training for operators in cooperation with the North Carolina University System, the North Carolina Community College System and through the professional associations for operators and pollution control professionals. Specialty courses and seminars for operators are also offered by the North Carolina combined Section Of The Water Environment Association/American Water Works Association (WEA/AWWA).

Training and certification of operators is essential to the proper operation and maintenance of pollution control systems. Without proper operation and maintenance, even the most effectively designed treatment system will not function efficiently. The goal of the WPCSOCC is to train competent and conscientious professionals that will provide the best wastewater treatment and thus protect the environment and public health.

NPDES Stormwater Discharges

As currently defined by the NPDES program, stormwater point source discharges originate from two distinct sources; municipalities and selected industrial facilities. Subject municipalities are defined as those incorporated areas that encompass a population of 100,000 or more. There are currently no municipalities in the Little Tennessee River basin that are subject to NPDES stormwater permitting.

Stormwater discharges directly related to manufacturing, processing or raw materials storage areas at industrial plants are also subject to NPDES stormwater permitting. A complete definition of "stormwater discharge associated with industrial activity" including a comprehensive listing of subject industries can be found in 40 CFR 122.26. The types of industrial activities that are subject to permitting are typically defined by Standard Industrial Classification (SIC) codes. SIC codes have been developed by the federal Office of Management and Budget to define industries in accordance with the composition and structure of the economy.

There are currently 19 general stormwater permits available for specific types of industrial activities across the state. The general stormwater permits incorporate requirements determined to be appropriate based upon an analysis of available analytical monitoring data, input from industry and associations, site visits, and review of federal and other documents providing guidance on specific types of industries, pollutants and stormwater discharges. General permits may specify monitoring and reporting requirements for both quantitative and qualitative assessment of the stormwater discharge as well as operational inspections of the entire facility, including all stormwater systems. The specific pollutant parameters for which sampling must be performed are based upon the types of materials used and produced in the manufacturing processes and the potential for contamination of the stormwater runoff at a typical facility.

All NPDES stormwater permits require the development and implementation of a Stormwater Pollution Prevention Plan (SPPP). The SPPP requires the permitted facility to develop a comprehensive stormwater management plan. This plan is the basis for evaluating the pollution potential of the site and implementing best management practices (BMPs) to reduce pollutants in runoff from the site.

All stormwater permits specify qualitative monitoring of each stormwater outfall for the purposes of evaluating the effectiveness of the Stormwater Pollution Prevention Plan and assessing new sources of stormwater pollution. Qualitative monitoring parameters include color, odor, clarity, floating and suspended solids, foam, oil sheen, and other obvious indicators of stormwater pollution.

Stormwater permits may provide for the use of cut-off concentrations in order to minimize the required analytical monitoring for facilities which are not significant contributors to stormwater pollution. These cut-off concentrations are not intended to be effluent limits (as used in wastewater permitting), but to provide guidelines for determining which facilities are major contributors to stormwater pollution and need further monitoring. The arithmetic mean of all monitoring data collected during the term of the permit must be calculated for each parameter and compared to the permitted cut-off concentration. If the mean is below the cut-off concentration, then the facility may discontinue analytical monitoring for that parameter until the final year of the permit. This approach inhibits facilities from using the cut-off concentrations as target concentrations for purposes of evaluating the effectiveness of the Stormwater Pollution Prevention Plan while ensuring that problem facilities continue to collect analytical information on their discharges.

Nondischarge and Regional Wastewater Treatment Alternatives

DWQ requires NPDES permit applicants to consider alternatives for disposal of wastewater effluent other than discharge to a stream. For some, there may be no other economically feasible alternatives. However, for others, particularly smaller dischargers, there are a number of potentially cost-effective and environmentally sound alternatives. There are several types of non-discharging wastewater treatment systems including spray irrigation, rapid infiltration, trickling systems and underground injection. Researchers in North Carolina are evaluating artificial wetlands as wastewater treatment systems. Permit requirements for nondischarging systems are listed in Administrative Code Section 15 NCAC 2H .0200 - Waste Not Discharged to Surface Waters.

Another alternative to a surface water discharge is to tie into an existing wastewater treatment system. Where possible, DWQ is encouraging smaller dischargers to connect to large established municipal systems. Regionalization, as this is called, has several advantages. Large municipal facilities, unlike smaller package-type plants, have a larger and better-trained staff, thereby reducing the potential for plant malfunctions. When malfunctions do occur in a large plant, they

can be caught and remedied more quickly than in a small plant. Larger facilities provide a higher level of treatment more economically and more consistently than can smaller plants. Larger plants are monitored daily. Additionally, centralizing the discharges reduces the number of streams receiving effluent. As DWQ evaluates future permit expansion requests from regional facilities, it will look favorably upon plants that accept flows from smaller discharges.

Nondischarge permits are required for alternative methods of wastewater treatment. Nondischarge permits are also issued for the land application of residual solids (sludge) from wastewater treatment processes.

NONPOINT SOURCE CONTROL PROGRAMS

When rainfall or snowmelt washes off an undisturbed natural area, it contains few pollutants and a significant portion of it infiltrates into the ground. This infiltration process cleanses, reduces and delays runoff. However, human disturbances of land often cause runoff of pollutants into surface waters. For instance, runoff from agricultural lands can include fertilizers, sediment and pesticides; runoff from roads and parking lots in urban areas can include petroleum products and toxic substances (these impervious surfaces also increase flow volume and velocity); construction activities can cause runoff of sediment, etc. These are examples of *nonpoint source* (NPS) pollution. Unlike effluent from a wastewaer treatment plant, NPS pollution often originates from harder to identify, widely dispersed areas. In addition to over-land runoff, some NPS pollution originates from the atmosphere, such as acid deposition.

The two approaches that are used to address nonpoint source pollution are prevention and engineered controls. Some of the methods of pollution prevention include minimizing built-upon areas, protection of sensitive areas, optimum site planning, use of natural drainage systems rather than curb and gutter, nutrient management plans, public/farmer education, storm drain stenciling, and hazardous waste collection sites. It is generally more cost-effective to prevent and minimize pollution than to build engineered controls. For example, developers who are subject to stormwater requirements often choose to build low density developments rather than bearing the expense of building engineered BMPs. Engineered BMPs also have on-going expenses associated with long-term operation and maintenance.

Engineered BMPs generally work by capturing, retaining, and treating runoff before it leaves an area. Some commonly used types of BMPs include stormwater wetlands, wet detention ponds, water control structures, bioretention areas, and infiltration basins. Often higher levels of pollutant removal can be achieved by using a combination of different control systems. The main advantage of engineered controls is that they can treat runoff from high density developments.

The current trend is toward a more comprehensive "systems approach" to managing nonpoint source pollution. This involves using an integrated system of preventive and control practices to accomplish nonpoint pollution reduction goals. This approach emphasizes site planning, protecting important natural areas such as wetlands, and finding the most cost-effective engineered controls for high density areas. Programs which are currently using the systems approach include the animal waste regulations and the regulations for coastal stormwater management and water supply watersheds. In general, the goals of the nonpoint source management program include the following:

- Continue to build and improve existing programs,
- Develop new programs to control nonpoint pollution sources that are not addressed by existing programs,
- Continue to target geographic areas and waterbodies for restoration and protection,

- Integrate the NPS Program with other state programs and management studies (e.g., Albemarle-Pamlico Estuarine Study, Clean Water Trust Fund and Wetlands Restoration Program), and
- Monitor the effectiveness of BMPs and management strategies for both surface and groundwater quality.

Table 2 lists a number of federal and state programs that address nonpoint source pollution. These programs are listed by category based on the type of activity. A complete program description of nonpoint source control programs can be found in the text following the table.

Agricultural Nonpoint Source (NPS) Control Programs

Agricultural BMPs have been developed largely to control the five major agriculturally-related causes of pollution: nutrients, sediment, pesticides, oxygen-demanding substances and bacteria. BMPs vary from site to site and are dependent upon a particular pollutant but include practices such as grassed waterways and vegetated buffers, nondischarging animal waste lagoons, integrated crop and pest management and soil testing. BMPs may be administered through one or more of the agricultural programs described below. Common agricultural BMPs are listed in Appendix VI.

- **North Carolina Agriculture Cost Share Program**
  In 1984, the North Carolina General Assembly budgeted approximately $2 million to assist landowners in 16 counties within the "Nutrient Sensitive Water" (NSW) watersheds including the Upper Neuse River (Falls Lake) and the New River in Onslow County to implement BMPs for agricultural and silvicultural activities. These funds were increased in May 1987 to include 17 additional coastal counties by the passage of a General Statute formally creating the *Agriculture Cost Share Program for Nonpoint Source Pollution Control (NCACSP)*. In 1989 the NCACSP became a statewide program. The NCACSP will pay a farmer 75 percent of the average cost of implementing approved BMPs and offer technical assistance to the landowners or users which would provide the greatest benefit for water quality protection. The primary purpose of this voluntary program is water quality protection.

  The local Soil and Water Conservation District Boards under the administration of the North Carolina Soil and Water Conservation Commission (SWCC) are responsible for identifying treatment areas, allocating resources, signing contractual agreements with landowners, providing technical assistance for the planning and implementation of BMPs and generally encouraging the use of appropriate BMPs to protect water quality. The criteria for allocating funds to the District is "based on the identified level of agricultural related nonpoint source pollution problems and the respective District's BMP installation goals and available technical services as demonstrated in the Districts annual strategy plan" (NC Administrative Code, Title 15, Chapter 6, Section 6E). This local participation is crucial to the success of the program.

  The DEHNR-Division of Soil and Water Conservation (DSWC) provides staff, administrative and technical support to the SWCC. The DSWC also coordinates the efforts of various associated Program committees and acts as the clearinghouse for District strategy plans, contracts, etc. A legislated Technical Review Committee meets quarterly "to review the progress of the Program" (G.S. 143-215.74B) and to make technical recommendations to the Commission.

  Technical assistance for the implementation of approved BMPs is provided to the Districts through a 50:50 cost share provision for technical positions to be filled at the District level. The USDA-Natural Resources Conservation Service also provides technical assistance.

Table 2. List of Nonpoint Source Programs

PROGRAM	LOCAL	STATE	FEDERAL
AGRICULTURE:			
Agriculture Cost Share Program	SWCD	SWCC, DSWC	
N.C. Pesticide Law of 1971		NCDA	
Pesticide Disposal Program		NCDA	
Animal Waste Management	SWCD	DWQ,DSWC, CES	NRCS
Laboratory Testing Services		NCDA	
Watershed Protection (PL-566)			NRCS
1985 ,1990 and 1995 Farm Bills			USDA
- Conservation Reserve Program			
- Conservation Compliance			
- Sodbuster			
- Swampbuster			
- Conservation Easement			
- Wetland Reserve			
- Water Quality Incentive Program			
URBAN			
Coastal Stormwater Program		DWQ	
ORW, HQW, NSW Management Strategies		DWQ	
Water Supply Watershed Protection Program	city, county	DWQ	
Stormwater Control Program	city, county	DWQ	EPA
CONSTRUCTION			
Sedimentation and Erosion Control	ordinance	DLR, DOT	
Coastal Area Management Act	ordinance	DCM	
Coastal Stormwater Program		DWQ	
ON-SITE WASTEWATER DISPOSAL			
Sanitary Sewage Systems Program	county	DEH	
SOLID WASTE DISPOSAL			
Resource Conservation and Recovery Act			EPA
Solid Waste Management Act of 1989	city, county	DSWM	
FORESTRY			
Forest Practice Guidelines		DFR	
National Forest Management Act			NFS
Forest Stewardship Program		DFR	
MINING			
Mining Act of 1971			DLR
HYDROLOGIC MODIFICATION			
Clean Water Act (Section 404)		DCM, DWQ	COE
Rivers and Harbors Act of 1899			COE
Dam Safety Permit		DLR	
WETLANDS:			
Wetlands Restoration Praogram		DWQ	
Clean Water Act (Sections 401 and 404)		DWQ	COE
Wetland Reserve Program			USDA

COE: US Army Corps of Engineers
DWQ: Division of Water Quality
DFR: Division of Forest Resource
DSW: Division of Soil and Water
USDA: US Department of Agriculture
DCM: Division of Coastal Management
DLR: Division of Land Resources
DOT: Department of Transportation
DSWM: Division of Solid Waste Mgt.
NCDA: NC Department of Agriculture
NRCS: Natural Resources Conservation Service
SWCC: Soil and Water Cons. Commission
SWCD: Soil and Water Conservation District

- **North Carolina Pesticide Law of 1971**

In 1971 the General Assembly created and authorized the North Carolina Pesticide Board to regulate the use, application, sale, disposal and registration of pesticides for the protection of the health, safety, and welfare of the people and for the promotion of a healthy and safe environment. Some of the responsibilities of the Pesticide Board and the North Carolina Department of Agriculture include registering all pesticides prior to distribution and sale in North Carolina, sampling pesticides to insure that all products are up to guaranteed analysis and unadulterated by any other pesticide, sampling pesticides at time of application to insure that the applicator is following label instructions, and certifying the competency of applicators and dealers of restricted use pesticides.

The Pesticide Section of the North Carolina Department of Agriculture conducts mandatory annual inspections of all aircraft used in pesticide application and conducts random inspections of ground application equipment and chemigation systems (application of pesticides through irrigation systems). These inspections are intended to encourage proper calibration and use of equipment in order to avoid excessive application rates and accidental spills from faulty systems. Stop use orders are issued for noncompliance with the regulations.

Inspections are also required for bulk storage tanks prior to filling. All commercial pesticide storage facilities are required to have an approved Pre-fire Plan. In addition, each large commercial storage facility is required to develop and maintain an Emergency Contingency Plan. This plan describes the actions facility personnel shall take to respond to fires, explosions, spills, or any other sudden or gradual release of pesticides or pesticide contaminated materials to air, soil, or surface waters. The Contingency Plan is designed to minimize hazards to human health and the environment.

Penalties are assessed to careless pesticide applicators. Enforcement of the law is based on where the pesticide is deposited rather than just where it is applied. For example, if a pesticide is found in a stream as a result of wind drift, the applicator is subject to legal action. The Raleigh Office staff of the NCDA Pesticide Section is comprised of 20 employees. There are 10 Inspectors who conduct field-level compliance monitoring and investigation services. The annual budget for pesticide control and analytical work is $1.4 million.

- **NCDA Pesticide Disposal Program**

In 1976, the North Carolina Pesticide Board adopted regulations governing the disposal of pesticides. These regulations make it illegal in North Carolina to dispose of hazardous waste (which includes certain pesticides) in sanitary landfills. While households and farms which generate less than 220 pounds of hazardous waste and less than 2 pounds of acutely hazardous waste are exempt from federal disposal requirements, the regulations prohibiting the disposal of these wastes in sanitary landfills still applies to them. The option to use commercial hazardous waste disposal companies is too expensive and most companies will not pickup small quantities. As a result of this dilemma, the NCDA created the Pesticide Disposal Program in 1980 through appropriations from the General Assembly.

The goal of the Program is to provide an available, affordable and environmentally acceptable mechanism in which any homeowner, farmer, or institution can dispose of unwanted or unusable pesticides. It is mandatory, however, that all pesticide products are labeled correctly before NCDA will pick them up. An EPA permitted hazardous waste treatment or disposal facility (TSD) requires proper identification before the products can be disposed.

The Food and Drug Division of the North Carolina Department of Agriculture administers the Pesticide Disposal Program. The same staff used for enforcing the North Carolina Pesticide Law of 1971 are used in the Disposal Program.

- **Animal Waste Management**

Regulations
On December 10, 1992, the Environmental Management Commission adopted a rule modification (15A NCAC 2H .0217) to establish procedures for properly managing and reusing animal wastes from intensive livestock operations. The goal of the rule is for intensive animal operations to operate so that animal waste is not discharged to waters of the state. This means that if criteria are met and no waste is discharged to surface waters, then an individual permit from DWQ is not required. The rule applies to new, expanding or existing feedlots with animal waste management systems designed to serve more than or equal to the following animal populations: 100 head of cattle, 75 horses, 250 swine, 1,000 sheep or 30,000 birds with a liquid waste system. These operations are deemed permitted if a signed registration and an approved waste management plan certification are submitted to DWQ by the appropriate deadlines.

The deadline for submittal of registrations to DWQ for existing facilities was December 31, 1993. Animal waste management plans for existing facilities must be certified by a technical specialist designated by the Soil and Water Conservation Commission and submitted to DWQ by December 31, 1997. The standards and specifications of the USDA Natural Resources Conservation Service are the minimum criteria used for plan approval by the local Soil and Water Conservation Districts.

Operator Training and Certification
The North Carolina General Assembly ratified Senate Bill 974 (NCGS 143-215.74C - E) on July 29, 1995, which requires that the Department of Environment, Health and Natural Resources, in cooperation with the Cooperative Extension Service, develop and administer a training and certification program for operators of swine facilities with more than 250 swine that land apply animal waste. The Department assigned the task of developing and administering this program to the Technical Assistance and Certification Group of the Water Quality Section. The purpose of this program is to reduce nonpoint source pollution associated with the operation of animal waste management systems. Animal waste management systems are defined as a combination of structural and non-structural practices that collect, treat, store, or apply animal waste to the land. All animal operations with 250 or more swine (Sus scrofa) are required to designate an Operator in Charge who has primary responsibility for the operation of the animal waste management system. There are approximately 4,000 animal operations in the state that are required to designate an Operator in Charge.

A steering committee was established that includes representatives from the animal agriculture industry, environmental groups, North Carolina Department of Agriculture, Natural Resources Conservation Service, Division of Soil and Water Conservation, North Carolina Cooperative Extension Service and the Division of Environmental Management. The primary purpose of this committee was to develop the instructional manual and exam questions for the training and certification program. The manual has been completed and is being used in the training sessions that are primarily being conducted by the Cooperative Extensive Service in each county. Also involved in the training will be personnel from the NC Department of Agriculture, Natural Resources Conservation Service and pork producers. The training sessions for the operators began in April 1996. The examinations will be administered by the Technical Assistance and Certification Group in eighteen locations throughout the state beginning in May, 1996.

Persons who wish to be certified as operators of animal waste management systems must attend a minimum of six hours of training and demonstrate competence in the operation of

animal waste management systems by passing an examination. The training and certification requirements must be completed once every five years. Participants in the training program will receive instruction in the following areas: 1) proper operation of animal waste management system components such as lagoons and irrigation systems; 2) waste utilization plans and proper waste, soil and tissue sampling techniques; 3) proper application of waste including calculation of application rates and calibration of equipment; and 4) consequences of improper management and environmental stewardship.

Inspection and Enforcement

Prior to July, 1995, DWQ's limited compliance resources were mostly directed toward getting existing facilities registered, insuring that new and existing facilities had approved waste management plans and responding to citizen complaints.

Following major lagoon dike breaks in late June and July, 1995, DWQ and the Department's natural resources divisions made a major commitment to inspecting all animal operations. As of December 1, 1995, over 4,000 operations were inspected.

These inspections have found a very high percentage of these facilities with problems. DWQ is currently working with these problem facilities to get them into compliance. These efforts include technical assistance, Notices of Violations, notification of loss of deemed permitted status and other appropriate enforcement actions. Approximately 1,800 out of the 3,922 reports entered in the Division's database indicate a compliance problem. As of May 13, 1996, approximately 200 facilities were found to have a discharge during an inspection.

As of May 13, 1996, 40 civil penalty cases were assessed and 8 court injunctions have been filed. Eighty-five facilities have lost their deemed permitted status and are required to obtain a certified waste management plan prior to the December 31, 1997 deadline.

Animal Inspection Database
May 13, 1996

Inspections	Total	Swine	Cattle	Poultry
Reports Entered	3922	3,012	803	107
Inadequate Freeboard	579	449	87	43
Seepage observed from lagoon	118	85	26	7
Erosion observed	426	376	32	18
Inadequate acreage available for spray	112	96	3	13
Cover crop inadequate	225	206	4	15
Man made conveyance of wastes	154	99	52	3
Inadequate Records	1,078	868	162	48
Non-Man made conveyance of wastes	59	43	8	8

This is preliminary information based on only the inspection reports entered as of the date of the report. These numbers are not considered accurate until a quality assurance procedure is in place. These numbers will change daily based on the entry of new reports and quality assurance checks of the information in the data base.

Swine Farm Siting Act

The Swine Farm Siting Act, SB 1080, was adopted on July 11, 1995 to minimize adverse impacts on property adjoining concentrated animal operations. The Act specifies that a swine house or lagoon of a new farm sited on or after October 1, 1995 is required to be at least 1,500 feet from any occupied residence; at least 2,500 feet from any school, hospital, or church; and at least 100 feet from any property boundary. The Act restricts the application of lagoon

effluent to land at least 50 feet from a residential property line and from any perennial stream or river, excluding irrigation ditches and canals. If written permission is given by the property owner and recorded with the Register of Deeds, a swine house or lagoon may locate closer to a residence, school, hospital, church, or property boundary.

Animal Waste Management Statute Revisions - SB 1217

Senate Bill 1217, ratified in June 1996 by the NC General Assembly, is the latest change to animal waste statutes, and establishes the statutory authority under GS 143-215.10 for a tiered permitting program for animal waste management systems. This program supplants the "deemed permitted" approach established in the original 1992 regulations (see above). The ratified bill is quite detailed and contains the following major components:

Permits are required for > 250 swine, > 100 cattle, > 75 horses, > 1,000 sheep, > 30,000 birds [liquid system]). The EMC shall develop general permits to be issued by DWQ.

Dry poultry operations with > 30,000 birds are to develop animal waste management plans, not previously required, and retain records on site for three years. Plans are to include nutrient testing of waste within 60 days of application, annual soil testing, nitrogen as the limiting nutrient for land application, monitoring of zinc and copper in soils and alternative crop sites if zinc and copper levels are excessive; and record keeping for waste application (dates, rates, locations). Operators must be compliant with testing and record keeping requirements by January 1, 1998.

Permits are to be issued on a phased-in priority basis by the Department within 5 years, beginning January 1, 1997. Priority is to be given to the largest operations.

Provisions were also included in the SB1217 for:
- the design storm for waste management systems,
- a permit review and approval period,
- required components of animal waste management plans,
- evaluation and encouragement of alternative and innovative animal waste management technologies,
- annual review of animal operations by technical specialists,
- types of violations requiring immediate notification by state or local employees,
- yearly inspections of animal operations by DWQ,
- establishment of a fee schedule based on steady state live weight,
- revision of the maximum penalty for first offense from $5,000 to $10,000,
- addition of two animal industry representatives to the Water Pollution Control System Operators Certification Commission,
- certified operator requirements, certification, training, examination, fees, and revocation or suspension of certificate,
- siting requirements for swine houses, lagoons and land areas onto which waste is applied at swine farms,
- civil action provisions against swine farmers,
- required written notice for new operations, and
- addition of specific BMPs into Agricultural Cost Share Program.

- **NC Cooperative Extension Service and Agricultural Research Service**
Crop and animal production programs are administered under the research and education activities of the NC Agricultural Research Service (ARS) and the NC Cooperative Extension Service (CES). The research and education efforts are broad and include areas such as variety

development, crop fertilizer requirements, soil testing, integrated pest management, animal housing, animal waste management, machinery development and irrigation. Guidelines for most agricultural enterprises have been developed and made available to farmers. A more intensified water quality emphasis is being incorporated in these areas and many other projects undertaken by ARS and CES. The local contact that county CES agents have with farmers and homeowners provides an excellent opportunity for dialogue and education in nonpoint source pollution control. This network of contacts can be used to inform people about BMPs and to provide some structure for a general NPS education program.

The NC Agricultural Research Service and the NC Cooperative Extension Service conduct broad research and education efforts that include areas such as variety development, crop fertilizer requirements, soil testing, integrated pest management, animal housing, animal waste management, machinery development, and irrigation. County Cooperative Extension agents work closely with farmers and homeowners, providing an excellent opportunity for dialogue and education in nonpoint source pollution control. In addition, CES has begun assisting DWQ in holding a series of public workshops in each river basin prior to DWQ's preparation of the draft basin plan.

- **Soil, Plant Tissue, and Animal Waste Testing Program**
  These services provide farmers with information necessary to improve crop production efficiency, to manage the soil properly and to protect environmental quality. The Soil, Plant Tissue and Animal Waste Testing Program is administered by the Agronomic Division of the North Carolina Department of Agriculture. Water and wastewater from lagoons is also tested for irrigation and fertilizer use.

- **Watershed Protection and Flood Prevention Program (PL 83-566)**
  The purpose of the Watershed Protection and Flood Prevention Program is to provide technical and financial assistance in planning, designing, and installing improvement projects for protection and development of small watersheds. The Program is administered by the USDA-Natural Resources Conservation Service in cooperation with the NC Division of Soil and Water Conservation, the State Soil and Water Conservation Commission, the U.S. Forest Service, Soil and Water Conservation Districts, and other project sponsors.

  The emphasis of the Program over the past three decades has been to provide flood control. However, legislation has shifted emphasis of PL-566 land treatment projects so that a project proposal must demonstrate off-site water quality benefits in order to have any chance of funding.

- **Food Security Act of 1985 (FSA) and the Food, Agriculture, Conservation and Trade Act of 1990 (FACTA)**
  There are several provisions authorized by the federal Food Security Act of 1985 (FSA) and re-authorized by the Food, Agriculture, Conservation, and Trade Act of 1990 (FACTA) which offer excellent opportunities for the abatement of agricultural nonpoint source pollution. The FSA and FACTA make the goals of the USDA farm and conservation programs more consistent by encouraging the reduction of soil erosion and production of surplus commodities and the retention of wetlands. At the same time, the provisions can serve as tools to remove from production those areas which critically degrade water quality by contributing to sedimentation. Important water quality-related provisions are known as the Conservation Reserve, Conservation Compliance, Sodbuster, Swampbuster, and Conservation Easement, Wetland Reserve, and Water Quality Incentive Program. These provisions are administered by the USDA.

Conservation Reserve Program

The Conservation Reserve Program (CRP) is administered by the USDA Agricultural Stabilization and Conservation Service (ASCS) and the USDA Natural Resources Conservation Service (NRCS). Other cooperating agencies include the NC CES, NC Division of Forest Resources and local Soil and Water Conservation Districts. The CRP was established to encourage removing highly erodible land from crop production and to promote planting long-term permanent grasses and tree cover. The ASCS will share up to half of the cost of establishing this protective cover. The intention of the program is to protect the long term ability of the US to produce food and fiber by reducing soil erosion, improving water quality and improving habitat for fish and wildlife. Additional objectives are to curb the production of surplus commodities and to provide farmers with income supports through rental payments over a 10 year contract period for land entered under the CRP.

Conservation Compliance

The Conservation Compliance provision of the FSA and FACTA discourages the production of crops on highly erodible cropland where the land is not carefully protected from erosion. Highly erodible land is defined as land where the potential erosion (erodibility index) is equal to eight times or greater than the rate at which the soil can maintain continued productivity. This rate is determined by the Natural Resources Conservation Service.

A farmer had until January 1, 1990 to develop and begin applying a conservation plan on highly erodible land. Plans were required to be operational by January 1, 1995. If a conservation plan is not developed and implemented, the farmer loses eligibility in price and income supports, crop insurance, FHA loans, Commodity Credit Corporation storage payments, farm storage facility loans, Conservation Reserve Program annual payments, and other programs under which USDA makes commodity-related payments. In other words, Conservation Compliance is an economic disincentive, quasi-regulatory program.

Sodbuster

The Sodbuster provision of the FSA and FACTA is aimed at discouraging the conversion of highly erodible land for agricultural production. It applies to highly erodible land that was not planted in annually tilled crops during the period 1981-85. As with the other provisions of the FSA, the Natural Resources Conservation Service determines if a field is highly erodible. If a highly erodible field is planted in an agricultural commodity without an approved conservation system, the landowner (or farmer) becomes ineligible for certain USDA program benefits.

Swampbuster

The purpose of Swampbuster is to discourage the conversion of wetlands to cropland use. Wetlands are defined as areas that have a predominance of hydric soils that are inundated or saturated by surface water or groundwater at a frequency or duration sufficient to support a prevalence of hydrophytic (water loving) vegetation. It is the responsibility of the Natural Resources Conservation Service to determine if an area is a wetland. Like the other provisions of the FSA and FACTA, a farmer will lose eligibility for certain USDA program benefits on all the land which is farmed if a wetland area is converted to cropland.

Conservation Easement

The Conservation Easement provision encourages producers whose FHA loans are in or near default to place their wetland, highly erodible land, and fragile land in conservation, recreation, or wildlife uses for periods of at least 50 years. The producer benefits by having the FHA loan partially canceled. The environment benefits by reducing the level of soil disturbing activities and the threat of agricultural pollutants.

Wetland Reserve
FACTA established a voluntary program for farmers to grant the federal government a 30-year or perpetual easement to wetlands. Eligible land includes farmed or converted wetlands which could be restored to their highest wetland function and value. The goal is to enroll one million acres by the end of 1995.

Water Quality Incentive Program
FACTA established this cost sharing program to help farmers control pollution problems associated with agricultural activities. A producer could receive up to $3,500 in cost share assistance to implement approved BMPs. The goal is to enroll 10 million acres by 1995.

Nonpoint Source Programs for Urban and Developed Lands

- **Federal Urban Stormwater Discharge Program / NC NPDES Stormwater Program**
  In 1987, Congress passed the Water Quality Act Amendments to the Clean Water Act requiring the U.S. Environmental Protection Agency (EPA) to develop regulations on permit application requirements for stormwater discharges associated with industrial activities as well as those associated with large and medium municipal separate storm sewer systems (population greater than 100,000). These regulations became effective in December 1990.

  The goal of the stormwater discharge permitting regulations in North Carolina is to prevent stormwater runoff pollution by controlling the source(s) of pollutants. Defining the potential pollutant sources and establishing controls of the sources that will reduce and minimize pollutant availability will result in an improvement to the water quality of the receiving streams, consistent with the overall goal of the water quality program. Authority to administer these regulations has been delegated to the North Carolina Division of Water Quality (DWQ). The NPDES stormwater regulations require that facilities with stormwater point source discharges associated with industrial activity and municipalities defined as either large or medium municipal separate storm sewer systems be permitted.
  The municipal permitting requirements are designed to lead to the formation of site-specific stormwater management programs for a municipal area. Therefore, the permits issued to municipalities for their municipal separate storm sewer systems will be explicitly written for each individual municipality. Municipal permits of this type in North Carolina are currently required for Charlotte, Durham, Greensboro, Raleigh, Winston-Salem and Fayetteville/Cumberland County. The municipalities will develop and implement comprehensive stormwater quality management programs to reduce the discharge of pollutants in stormwater to the maximum extent practicable (MEP). MEP will be defined separately for each municipality required to be permitted. Industrial facilities discharging through a municipal separate storm sewer system are required to submit a permit application to the state and receive their own NPDES stormwater permit.

  Industrial activities which require permitting are defined in eleven categories in the federal regulations ranging from sawmills and landfills to phosphate manufacturing plants and hazardous waste treatment, storage or disposal facilities. The regulations cover point source discharges that are related to manufacturing, processing, or material storage areas at an industrial facility. Stormwater discharges associated with industrial activities are required to be covered by permits which contain technology based controls based on Best Available Technology (BAT)/Best Conventional Pollutant Control Technology (BCT) considerations or water quality controls, if necessary. Through monitoring and regulating stormwater discharge

quality, the goal of the NPDES stormwater program is to reduce the pollutant load in stormwater runoff.

The permitting requirements described here represent Phase I of the stormwater program. EPA and Congress are currently involved in studies to determine the scope of additional stormwater coverage under Phase II of the stormwater program. Further stormwater NPDES coverage could include additional industrial activities or additional municipal areas. If additional areas of coverage are added under the federal stormwater programs, DWQ will be responsible for the appropriate permitting of these areas within North Carolina.

- **Coastal Stormwater Management**
  In November 1986, the EMC adopted rules which required new development in a limited zone (575 feet) around Class SA (shellfish) waters to control stormwater either by limiting density or completely controlling a 4.5 inch, 24-hour storm with the use of a stormwater treatment system. The regulations applied to development activities which required either a CAMA major permit or a Sediment/Erosion Control Plan (generally development disturbing more than one acre). The design storm, low density limits, and aerial coverage were all quite controversial and the adopted rules represented a compromise by all parties. A sunset provision was added to the rules to force the staff and Commission to reconsider the rules after a year. These rules expired December 31, 1987, but new stormwater regulations were adopted having an effective date of January 1, 1988. These regulations are administered by the DWQ. Approximately five man-years are allocated to implementing this program. Planning Branch staff are responsible for providing guidance and interpretation to promote consistent implementation of the rules. DWQ regional staff review and approve plans and enforce the requirements of the regulations.

  Perhaps the most important measure accomplished with the regulations has been the applicability of stormwater controls to development activities within the 20 CAMA coastal counties. Certainly the near-water impact of stormwater as addressed in the original rules is important, but the staff believed the cumulative impact of stormwater runoff throughout the coastal zone also needed to be addressed. Therefore, the expanded area of coverage helps provide better protection of both shellfish waters and coastal water quality in general.

  Other major items specified in the rules address the sizing of stormwater treatment systems. For developments adjacent to SA waters, infiltration systems must be able to retain 1.5 inches of rainfall, whereas development in other areas must control one inch of rainfall. Wet detention ponds are not allowed for stormwater control near SA waters and must be sized for 85 percent TSS removal in other areas. In addition, porous pavement is considered an innovative infiltration system (only five are allowed until they are proven to work) as evidence has not been provided regarding its effectiveness in coastal areas. A low density option of the new regulations applies a built-upon limit of 25 percent for SA areas and 30 percent for other coastal areas rather than a limit on effective impervious cover. Development exceeding these levels is required to have a engineered stormwater system as indicated.

  In summary, the regulations which have an expanded aerial coverage increases the annual number of projects affected from approximately 50 (original rules) to 500. This increase is coincident with a reduction in design storm that is comparable to requirements in other states. In addition, the low density option, retained from the original regulations, is encouraged as operation and maintenance concerns associated with stormwater controls are not applicable.

- **ORW and HQW Stream Classifications**
  Outstanding Resource Waters (ORW) and High Quality Waters (HQW) have management strategies that address handling of urban stormwater. Controls for urban stormwater, either

through development density limitations or stormwater treatment systems, are required by DWQ. Other NPS management agencies are expected to place priority on protecting these waters as well. For example, the NC Department of Transportation and the NC Division of Land Resources require more stringent sediment control on construction sites in ORW and HQW areas.

- **Water Supply Watershed Protection Program**

Approximately 50 percent of North Carolina's population depends on surface water supplies for drinking, commercial, and industrial uses. Water supplies have become more important in recent years because of increased demand for water, concern over potential contamination by toxic substances, and protection of human health. As a result, the General Assembly passed the Water Supply Watershed Protection Act of 1989 (NCGS 143-214.5). This Act requires all local governments that have land-use jurisdiction within surface water supply watersheds, or a portion thereof, to be responsible for implementation and enforcement of nonpoint source management requirements related to urban development, according to minimum standards adopted by the state. NPS control strategies are included in the rules for urban, agricultural, silvicultural, and Department of Transportation activities. The Water Supply Watershed Protection Rules were adopted by the Environmental Management Commission on February 13, 1992 and became effective on August 3, 1992. These rules were recently revised (effective August 1, 1995) to give local governments more flexibility in the implementation of water supply protection programs.

The purpose of the Water Supply Watershed Protection Program is to encourage communities to work with the state to provide enhanced protection for their water supply from nonpoint pollution sources. There are five water supply classes that are defined according to existing land use and the amount and types of permitted wastewater discharges. (See Appendix I for a summary of the management requirements for the five water supply classifications.) By classifying a watershed as a water supply watershed, local governments with land use jurisdiction within the watershed will take steps to control nonpoint sources of pollution and thereby reduce the potential of pollutants contaminating drinking water supplies. In turn, the state limits the point source discharges that can locate within the watershed which reduces the potential of contamination of the water supply.

This dual approach of state and local government action to preclude potential impacts from stormwater runoff and wastewater discharges is important since only a small fraction of the pollutants that enter water supplies from nonpoint sources have water quality standards. As more is learned about the types and effects of pollutants in our drinking waters, the state will be forced to adopt additional water quality standards. If these additional standards are imposed, one effect may be that water treatment facilities will be required to apply additional technology and possibly more expensive treatment facilities or operation to ensure safe drinking water. It is, therefore, very important for the state and local governments to consider alternative means of preventing nonpoint source pollution from entering drinking water supplies in the first place. The land-use requirements, including density controls, buffers along perennial streams and stormwater control requirements for high density developments are but a few ways to accomplish this.

The Water Supply Protection Program is administered by staff in the Operations Branch of the DWQ. These staff coordinate with the Division of Community Assistance (NCDCA) which helps local governments develop land-use ordinances, the Division of Environmental Health, which certifies that a proposed water supply is suitable for drinking water, and DWQ staff in NCDEHNR regional offices who are responsible for water quality sampling. Statewide, the compliance rate for submittals is 100%.

- **Coastal Nonpoint Pollution Control Programs**
  As part of the Coastal Zone Act Reauthorization Amendments of 1990, Congress enacted a new section 6217 entitled "Protecting Coastal Waters". This provision requires states with coastal zone management programs (which includes North Carolina) that have received Federal approval under section 306 of the Coastal Zone Management Act (CZMA) to develop and implement Coastal Nonpoint Pollution Control Programs. The coastal nonpoint programs will provide additional control for sources of nonpoint pollution that impair coastal water quality. Sources subject to the 6217 Coastal NPS Program include: agriculture, forestry operations, urban and developing areas, marinas, hydromodification projects, and wetlands and riparian areas.

  Section 6217 requires coastal states to submit their coastal nonpoint control programs to the National Oceanic and Atmospheric Administration (NOAA) and the U.S. EPA for approval by July 1995. The programs are to be implemented by January, 1999. Failure to submit an approvable program by July 1995 will result in a state losing substantial portions of its Federal funding under section 306 of the CZMA and section 319 of the Clean Water Act. The coastal nonpoint program will be developed and administered jointly by the NC Division of Coastal Management and DWQ.

- **CAMA Land Use Plans**
  The Coastal Area Management Act (CAMA), passed in 1974, requires the development of land use plans by each of the 20 coastal counties that fall within the coastal area. These plans must be consistent with state guidelines and address a wide range of issues, including resource protection and conservation, hazards mitigation, economic development and public participation. Land use plans must be updated every five years. 1995 revisions to the land use planning guidelines strengthened the connection between land use planning and surface water quality. Future land use plan updates must consider water quality use classifications, watershed planning and problems identified in basinwide plans. There are 91 jurisdictions that have prepared and adopted CAMA land use plans.

  A land use plan is a "blueprint" used by local leaders to help guide the decisions that affect their community. Through land use planning, local jurisdictions can influence how growth will affect surface water quality by adopting policies supported by local ordinances, promoting better sedimentation and erosion control standards, stream buffers and lower levels of impervious surface cover. Although land use plans are required only in the state's coastal area, these land use planning tools for the protection of water quality are available to any jurisdiction which chooses to implement them.

Construction - Sedimentation and Erosion Control Nonpoint Source Program

In 1973, the North Carolina General Assembly enacted the Sedimentation Pollution Control Act (SPCA). The Act authorized the establishment of a sediment control program to prevent accelerated erosion and off-site sedimentation caused by land-disturbing activities other than agriculture, forestry, and mining. The Land Quality Section of the Division of Land Resources is responsible for administration and enforcement of the requirements of the Act under the authority of the NC Sedimentation Control Commission.

The sediment control program requires, prior to construction, the submission and approval of erosion control plans on all projects disturbing one or more acres. On-site inspections are conducted to determine compliance with the plan and to evaluate the effectiveness of the BMPs

which are used. The intent is to offer permanent downstream protection for stream banks and channels from damages caused by increased runoff velocities. If voluntary compliance with the approved plan is not achieved and violations occur, the Land Quality Section will pursue enforcement through civil penalties and injunctive relief. House Bill 448, passed in 1991, authorized the issuance of stop-work orders for violations of the SPCA. This additional enforcement mechanism will help improve the overall performance of the program.

Sedimentation control rules are more stringent for areas draining to waters supplementally classified as Trout or High Quality Waters.

Local programs are reviewed annually for compliance with the requirements of the Sedimentation Pollution Control Act. The Land Quality Section also conducts educational programs directed toward state and local government officials in order to strengthen the local programs. Persons engaged in land-disturbing activities and interested citizen groups are included in the educational effort.

The Sedimentation Control Commission has delegated to the Division of Highways of the North Carolina Department of Transportation (DOT) the authority to approve erosion and sedimentation control plans for land-disturbing activity conducted by that agency or by other persons under highway contracts with that agency. The DOT sedimentation control program has been reviewed by the Division of Land Resources under the authority of the Sedimentation Control Commission. DOT uses more stringent sedimentation controls in areas adjacent to High Quality Waters and Outstanding Resource Waters. The NC Department of Environment, Health, and Natural Resources (NCDEHNR) has established a position to evaluate environmental aspects of DOT highway projects and programs. DOT, in cooperation with DWQ, has developed and adopted formal BMPs for protection of surface waters. These BMPs and other efforts are significant improvements in developing a proactive system at DOT toward environmental issues.

On-Site Wastewater Disposal - Sanitary Sewage Systems Nonpoint Source Program

Septic tank soil absorption systems are the most widely used method of on-site domestic wastewater disposal in North Carolina. More than 52 percent of all housing units in the state are served by septic tank systems or other systems besides public or community sewage systems. A conventional septic system consists of a septic tank, a distribution box or equivalent branching lines, and a series of subsurface absorption lines consisting of tile or perforated pipes laid in a bed of gravel. All subsurface sanitary sewage systems are under the jurisdiction of the Commission for Health Services (CHS) of the Department of Environment, Health, and Natural Resources. The CHS establishes the rules for on-site sewage systems which are administered by the Division to Environmental Health. BMPs for onsite sewage systems are listed in Appendix VI.

According to GS 130A-335(e) and (f), the rules of the CHS and the rules of the local board of health shall address at least the following: sewage characteristics; design unit; design capacity; design volume; criteria for the design, installation, operation, maintenance, and performance of sanitary sewage collection, treatment, and disposal systems; soil morphology and drainage; topography and landscape position; depth to seasonally high water table, rock, and water impeding formations; proximity to water supply wells, shellfish waters, estuaries, marshes, wetlands, areas subject to frequent flooding, streams, lakes, swamps, and other bodies of surface or groundwaters; density of sanitary sewage collection, treatment, and disposal systems in a geographical area; requirements for issuance, suspension, and revocation of permits; and other factors which affect the effective operation in performance of sanitary sewage collection treatment and disposal systems.

The rules also must provide construction requirements, standards for operation, and ownership requirements for each classification of sanitary systems of sewage collection, treatment, and disposal in order to prevent, as far as reasonably possible, any contamination of the land, groundwater, and surface waters. There exists a strict permitting procedure which regulates site selection, system design, and installation of on-site sewage systems. Privately owned subsurface sewage discharging systems are governed by NCDEHNR through local county health departments. Authorized local sanitariums serve as agents of NCDEHNR and assist in implementing the state sewage rules. Local boards of health may adopt by reference the state rules and append to those rules more stringent laws and local criteria which they desire. These amendments, however, must be approved by the state. Only nine counties in the state currently operate under local rules. The 1983 amendments of the state public health laws eliminated the co-mingling of state rules with local rules except by state approval.

The Straight Pipe Elimination Amnesty Program was established in 1996 for the purpose of eliminating domestic sewage or wastewater discharges, from both straight pipes and overland flow of failing septic systems. The program contains three components: identification and elimination of domestic sewage discharges into streams currently or proposed to be used for public water supplies; an amnesty period to end on December 31, 1997 during which time violations of State rules and laws on domestic sewage and wastewater discharges identified as a result of this program will not result in legal consequences; and a public education effort on the program and the amnesty period.

Solid Waste Disposal NPS Programs

- **Federal Program**
  The major federal legislation in the area of solid waste management is the Resource Conservation and Recovery Act (RCRA) administered by the U.S. Environmental Protection Agency (EPA). RCRA deals almost entirely with hazardous waste management but it does require that states meet minimum standards for solid waste facilities. EPA does not have permitting authority over solid waste management facilities.

- **State Program**
  States are accorded a major role in solid waste management by RCRA. North Carolina now operates under revisions by the General Assembly to Chapter 130A of the General Statutes. The Division of Solid Waste Management (DSWM) in the Department of Environment Health and Natural Resources is authorized as the single state agency for the management of solid waste. DSWM is responsible for the development of the state's solid waste management plan, has permitting authority over all solid waste management facility siting and operation, inspects permitted facilities, provides technical assistance, investigates complaints, responds to emergencies, monitors ground water quality at facilities, promotes the state's recycling effort, and closes non-conforming sites.

  The Solid Waste Management Act of 1989 established the policies and goals of the state to recycle at least 25 percent of the total waste stream by January 1, 1993. This Act created a Solid Waste Management Trust Fund to promote waste reduction and fund research and demonstration projects to manage solid waste. In 1991, the Solid Waste Management Act of 1989 was amended to broaden the goal to reduce the solid waste stream by 40 percent through source reduction, reuse, recycling, and composting by June 30, 2001.

  The state adopted solid waste management rules, effective February 1, 1991, requiring liner, leachate collection, and final cover systems at all new landfills, lateral expansions of existing

landfills, and at all active landfills by January 1, 1998. Septage rules and regulations also have been adopted and are administered through a permit program.

- **Local Program**
  Solid waste collection and disposal has long been a municipal function. The operation of solid waste collection and disposal facilities is among the enterprises which municipalities are expressly authorized by statute to operate (G.S. 160A-311 through 160A-321). Municipalities are also authorized to regulate the disposal of solid waste within their corporate limits. Such regulations may specify the location and type of receptacles to be used for collection (G.S. 160A-192).

  Outside municipal limits, counties are authorized to operate solid waste collection and disposal facilities either as a function of county government or through establishment of a special service district (G.S. 153A-292 and 301). Since 1970, county governments have increasingly accepted responsibility for solid waste disposal activities and most disposal facilities in the state are now operated by counties or with county financial assistance.

Forestry NPS Programs

- **Forest Practice Guidelines Related to Water Quality**
  In 1989 the Sedimentation Pollution Control Act (SPCA) was amended to limit the forestry exemption to those operations that adhere to forest practice guidelines. The forestry amendment to the SPCA required the Division of Forest Resources to develop performance standards known as the Forest Practices Guidelines Related to Water Quality.

  Guidelines consist of nine performance standards for activities such as maintaining streamside management zones and applying fertilizer and pesticide applications. These Guidelines are used to determine if a forestry operation will fall under the jurisdiction of the Division of Land Resources which enforces the SPCA. The Guidelines were developed in October 1989 and were put into effect on January 1, 1990. A Memorandum of Agreement was also signed between the Division of Forest Resources and the Division of Land Resources to coordinate their respective activities in the sedimentation control program. DLR has also signed an MOA with DWQ.

  Site-disturbing forestry activities are being inspected by local DFR personnel as part of a training, mitigation, and monitoring program. Site inspections are conducted when a problem or potential problem is suspected to exist. Sites not brought into compliance within a reasonable time schedule are referred by DFR to DLR or DWQ for appropriate enforcement action. Commonly used forestry BMPs are listed in Appendix VI.

- **National Forest Management Act (NFMA)**
  The National Forest Management Act was passed in 1976 and applies to all lands owned or administered by the National Forest System. The Act stipulates that land management plans be prepared which consider economic and environmental aspects of forest resources. The Act further states that timber will be harvested from National Forest lands only where soil, slope, or other watershed conditions will not be irreversibly damaged; and where protection is provided for streams, streambanks, shorelines, lakes, wetlands, and other bodies of water from detrimental changes in water temperatures, blockages of watercourses, and deposits of sediment, where harvests are likely to seriously and adversely affect water conditions or fish habitat.

- **Forest Stewardship Program**
  The Division of Forest Resources initiated the Forest Stewardship Program in 1991 along with the cooperation and support of several other natural resource and conservation agencies. This program encourages landowners with ten or more acres of forestland to become involved and committed to the wise development, protection and use of all natural forest resources they own or control.

Mining NPS Program

In 1971 the North Carolina General Assembly passed the Mining Act to ensure that the usefulness, productivity, and scenic values of all land and waters involved in mining will receive the greatest practical degree of protection and restoration. The Mining Commission is the rule-making body for the Act and has designated authority to administer and enforce the rules and regulations of the Act to the Mining Program within the Land Quality Section of the NCDEHNR Division of Land Resources.

The Mining program has four major areas of responsibility. First, the Program requires submission and approval of a mining permit application prior to initiating land disturbing activity if the mining operation is one (1) or more acres in surface area. The mining permit application must have a reclamation plan for these operations. Second, the Program conducts on-site inspections to determine compliance with the approved application and whether or not the plan is effective in protecting land and water quality. Third, the program pursues enforcement action through civil penalties, injunctive relief, and/or bond forfeiture to gain compliance when voluntary compliance is not achieved. Finally, the Mining Program conducts educational efforts for mine operators.

Wetlands Regulatory NPS Programs

There are numerous reasons for preserving wetlands, but of special interest within the context of basinwide planning is their role in protecting water quality. Because of their intrinsic characteristics and location within the landscape, wetlands function to protect water quality in a number of ways. These functions include the retention and removal of pollutants, stabilization of shorelines, and storage of flood waters.

Numerous authors have studied the effectiveness of riparian wetland forests for nutrient retention and transformation (Jones et al. 1976; Yates and Sheridan 1983; Brinson et al. 1984; Lowrance et al. 1984; Peterjohn and Correll 1984; Jacobs and Gilliam 1985; Budd et al. 1987; and Groffman et al. 1991). The location of riparian wetlands allows them the opportunity to receive nutrients from the surrounding landscape as well as through overbank flooding. In addition to the storage of nutrients in wetland vegetation, the microbial and chemical processes within wetland soils may function to completely remove nutrients from the system.

Headwater riparian wetlands are extremely important and effective in terms of sediment and associated nutrient and toxicant retention and transformation. Since small streams comprise most of the total stream length within a watershed (Leopold 1974), these areas intercept the greatest proportion of eroded sediments and associated substances from uplands before these pollutant reach waters downstream. Novitzki (1978) found that approximately 80% of the sediments entering a stream were retained in headwater wetlands.

Wetlands adjacent to streams, rivers and lakes stabilize shorelines and help protect these bodies of water from erosive forces. This function is particularly important in urbanized watersheds where the prevalence of impervious surfaces contributes to greater peak storm flows. Wetland vegetation serves to dissipate erosive forces and anchors the shoreline in place preventing sediments and associated pollutants from entering waterways. Wetlands by their very nature of being "wet" are also vital for water storage. Those wetlands adjacent to surface waters, that have the opportunity to receive flood waters and surface runoff, are most important to water storage. Wetlands located in headwaters generally minimize peak flood waters in tributaries and main channels. Lakes and wetlands with restricted outlets hold back flood waters and attenuate flood peaks (Carter et al. 1978).

Several important state and federal wetland protection programs are described below. In addition to the following wetlands programs, provisions of the 1985 and 1990 Farm Bills, discussed in Section 5.3.1, should also help reduce wetlands impacts. Agriculture conversions should be reduced by the "swampbuster" provision of the 1985 Farm Bill, which encourages farmers not to convert wetlands for agriculture to prevent the loss of their USDA subsidies, loans, and price supports. Silviculture is exempted from the swampbuster provision and therefore, conversion of wetlands for intensive or managed forestry is not affected by this provision. A Wetland Reserve Program was established by the 1990 Farm Bill with the goal of allowing one million acres of prior-converted wetlands to revert back to wetlands by 1995.

- **Section 10 of the Rivers and Harbors Act of 1899**
  This act, administered by the US Army Corps of Engineers, provides the basis for regulating dredge and fill activities in navigable waters of the United States. Originally, this Act was administered to protect navigation and the navigation capacity of the nation's waters. In 1968, due to growing environmental concerns, the review of permit applications was changed to include factors other than navigation including fish and wildlife conservation, pollution, aesthetics, ecology, and general public interest. Activities which may be covered under the Act include dredging and filling, piers, dams, dikes, marinas, bulkheads, bank stabilization and others.

- **Section 404 of the Clean Water Act**
  The U.S. Army Corps of Engineers administers a national regulatory program under Section 404 of the Clean Water Act aimed at controlling the discharge of dredged or fill material into waters of the United States. Section 404 applies to the discharge of dredged or fill materials into waters of the United States including dredging. Waters of the United States refers to navigable waters, their tributaries, and adjacent wetlands. Activities covered under Section 404 include dams, dikes, marinas, bulkheads, utility and power transmission lines and bank stabilization. Although the 404 program does not fully protect wetlands, it is nonetheless the only existing federal tool for regulating wetland development statewide. State legislation has not been adopted to protect inland freshwater wetlands in North Carolina, as has been done for coastal wetlands, but the EMC in March of 1996 adopted rules which will formalize the wetlands protection measures associated with the 401 Water Quality Certification review process.

- **Section 401 Water Quality Certification (from CWA)**
  The Division of Water Quality is responsible for the issuance of 401 Water Quality Certifications. Section 401 of the federal Clean Water Act provides that no federal agency can issue any license or permit to conduct any activity that may result in a discharge to navigable waters unless the state in which the discharge may occur certifies that the discharge will not result in a violation of any state water quality or related standards. Thus, a 401 certification is

required for, among other things, a discharge into surface waters or wetlands for projects that require a section 404 permit. A federal permit cannot be issued if a 401 certification is denied. Any conditions added to the 401 certification become conditions of the 404 permit. The 401 certification process is coordinated with the 404 and CAMA processes in the 20 counties of CAMA jurisdiction.

- **North Carolina Dredge and Fill Act (1969)**
  This act requires permits for "excavation or filling begun in any estuarine waters, tidelands, marshlands, or state-owned lake". This law is currently administered with North Carolina's Coastal Area Management Act (CAMA) (1974).

- **Wetlands Restoration Program/Funds**
  The Wetlands Restoration Program was established in 1996 as a nonregulatory program "...for the acquisition, maintenance, restoration, enhancement, and creation of wetland and riparian resources that contribute to the protection and improvement of water quality, flood prevention, fisheries, wildlife habitat, and recreational opportunities". The purposes of the program include: the restoration of wetlands function and values; to provide a consistent and simplified approach to mitigation requirements associated with permits or Corps of Engineers authorizations; to streamline the permitting process; to increase the ecological effectiveness of mitigation efforts; to achieve a net increase in wetlands acres, functions and values for each major river basin; to promote a comprehensive approach to environmental protection.

  Through the Wetlands Restoration Program, basinwide plans for wetlands and riparian area restoration will be developed. The goals of the plans are to protect and enhance "...water quality, flood prevention, fisheries, wildlife habitat, and recreational opportunities..." These plans will be developed for each of the seventeen major river basins in the state beginning in July 1997. Compensatory mitigation (a required condition of section 404 permits issued by the U.S. Corps of Engineers) options will be addressed within the plans.

  A Wetlands Restoration Fund has been established under the program. The Fund is a trust fund designed as a repository for monetary contributions and dedication of interest to real property under the compensatory mitigation options. These funds will primarily be used to restore, enhance, preserve or create wetlands and riparian areas in accordance with the basinwide plan.

Hydrologic Modification

Hydrologic modification is defined as channelization, dredging, dam construction, flow regulation and modification, bridge construction, removal of riparian vegetation, streambank modification/destabilization, and dam collapse. By its very nature hydrologic modification is closely tied to wetland issues. It is not surprising then that the U.S. Army Corps of Engineers (Corps) is the agency most involved in issuing permits for land-disturbing activities in wetlands. These permits are issued through Section 404 and the Rivers and Harbors Act discussed above.

In addition to wetland issues, dam construction and the lack of low flow releases into streams can severely impact downstream aquatic resources. Dam construction, repair, modification, and removal are regulated by the NC Division of Land Resources under the Dam Safety Law of 1967. A dam safety permit is required for any dam which is 15 feet or greater in height (from top of dam to lowest point on downstream toe) and the impoundment capacity is 10-acre-feet or greater at the top of the dam. Low-flow release requirements to maintain adequate instream flows are established in permits where appropriate. Instream flows are recommended by the NC Division of Water Resources.

There are several other programs which can affect hydrologic modification. The Forest Practice Guidelines Related to Water Quality requires streamside management zones to be maintained during logging operations. The Water Supply Watershed Protection Program also has requirements to maintain buffers for certain activities. The Conservation Reserve Program encourages the establishment of vegetative filter strips (66-99 feet wide) for farming operations. A significant number of local governments have established greenway programs within urban settings in order to maintain and protect riparian areas.

Section 319 Nonpoint Source Management and Other Programs

- **Section 319**
  Clean Water Act Section 319(h) grant monies are made available to the states on an annual basis by EPA. Agencies in the state that deal with NPS problems submit proposals to DWQ each year for use of these funds in various projects. Projects that have been funded in the past include BMP demonstrations, watershed water quality improvement projects, data management, educational activities, modeling, stream restoration efforts, riparian buffer establishment, and others. North Carolina DWQ established a Workgroup process in 1995 for prioritizing and selecting projects from the pool of cost-share proposals for inclusion in its annual application to EPA. DWQ staff first reviews proposals for minimum 319 eligibility criteria such as:
  - support state Program milestones;
  - address targeted, high priority watersheds;
  - provide sufficient cost-share match (40% of project costs);
  - propose adequate time periods;
  - identify measurable outputs;
  - use compatible GIS products with those of the state; and
  - make commitment for educational activities and a final report.

  Workgroup members separately review and rank each proposal which meets the minimum 319 eligibility criteria. The Workgroup consists of representatives from the state and federal agencies that deal with NPS issues, including agricultural, silvicultural, on-site wastewater, mining, solid waste and resource protection. In their review, members consider such factors as: technical soundness; likelihood of achieving water quality results; degree of balance lent to the state Program in terms of project type; and competence/reliability of contracting agency. They then convene to discuss individual projects' merits, to pool all rankings and to arrive at final rankings for the projects. All proposals that rank above the funding target are included in the annual grant application to EPA, with DWQ reserving the right to make final changes to the list. Actual funding depends on approval from EPA and yearly Congressional appropriations.

- **Use Restoration Waters**
  The North Carolina Division of Water Quality is currently developing the Use Restoration Waters (URW) program to restore surface waters to their designated uses. If adopted, this program would allow the state to work with local governments, businesses, and residents to develop management strategies appropriate for the area. In order to be effective, the URW program would include a mix of mandatory and voluntary programs. The voluntary and mandatory programs would be coordinated on a site-specific basis by DWQ and a group of stakeholders who have an interest in the impaired water body and associated watershed. In addition, the URW program would attempt to develop cooperative relationships among these agencies so that overlapping efforts can be consolidated and targeted to restore designated water body uses.

The URW Program would apply to polluted surface waters where the following conditions apply:

- Biological, physical and/or chemical data indicate the specific sources of pollution.
- A use attainment study indicates that the sources of pollution are not transitory.
- It is possible to control the sources of pollution by implementing appropriate management strategies under the existing authority of the North Carolina Environmental Management Commission (EMC), other state commissions, and local agencies or voluntary actions implemented by citizens and other groups.

The restoration strategies developed under the URW Program would be site-specific to the watershed of the impaired water body. DWQ and the stakeholders would coordinate each URW strategy with other agencies' programs to create a holistic approach to address the array of pollution problems in the watershed.

- **The Nonpoint Source (NPS) Team Process**

Successfully managing NPS pollution requires not only a knowledge of science and technology, but also an understanding of the local resources and economy. Although there are some general management guidelines, there is no single technique for controlling NPS pollution. The most efficient and effective NPS solutions will be site-specific. Formulating NPS solutions often requires cooperation between different interested parties. Each group that contributes to the NPS problem must be part of the solution.

DWQ will coordinate the river basin teams to include a wide variety of stakeholders interested in the basin. This team will take the lead in identifying NPS problems and implementing solutions. The NPS Team process is discussed.

1. Coordinate the NPS Team.
DWQ's goal in forming the river basin NPS Teams is to choose predominantly locally-based members that represent the federal, local, and state agencies, local governments, industries, and citizens' groups that have interests and responsibilities pertaining to NPS pollution. DWQ will consult local groups to determine which interests should be represented on the team.

Once the NPS Team is formed, DWQ and the team will work as partners to identify, prioritize, and address the NPS problems in the basin. DWQ will offer information from the state's water quality monitoring program and its staffs' knowledge of technical and financial resources. The NPS Team will describe current NPS initiatives, identify priority NPS-impaired waterbodies, and analyze NPS issues and needs. One of the most important missions of the DWQ-NPS Team partnership is to foster coordination and cooperation between the basin's diverse interest groups and agencies. The eventual goal of the NPS Team is to create and implement Action Plans that will address priority *NPS-impaired waterbodies* and *NPS issues* as part of the basinwide planning process. The implementation schedule will be determined as the plans are developed.

2. Take inventory of the initiatives and programs in place to address NPS pollution.
Each member of the NPS Team will describe the existing initiatives and programs of the agency or group he/she represents. A list of these initiatives is included in the basinwide plan to show readers some of the potential resources for addressing their NPS problems. This effort will provide an opportunity for mutual education, understanding and coordination with other stakeholders. An important responsibility of the NPS Teams will be to assess whether existing initiatives and programs in the basin are successfully improving water quality.

3. Choosing the priority NPS-impaired waterbodies and NPS issues.
Since the NPS Team will not be able to address all of the *NPS-impaired waterbodies* and *NPS issues* in the basin, it will have to follow a system for prioritization. The NPS Team will use the following process to target NPS-impaired waterbodies and select NPS issues.

Selecting the Priority NPS-impaired Waterbodies

Within the guidelines described below, the NPS Team will select at least one NPS-impaired waterbody for which an Action Plan will be developed. More than one waterbody may be selected if time and resources allow. The goal of the Action Plan will be to restore the designated use of the selected waterbody using a comprehensive, site-specific, and coordinated approach. The Actions Plans will be a prime candidate for funding under the federal Section 319(h) program.

The NPS Team will use both primary and secondary criteria to select the *priority NPS-impaired waterbodies*. The primary criteria are (in order of importance):

- Highly-valued resource waters and their tributaries, such as High Quality Waters and Water Supplies I-IV, that have a demonstrated pollution problem.
- Monitored waters that have an overall use support rating of non-supporting or partially supporting.
- Highly valued resource waters, such as High Quality Waters and Water Supplies I-IV, that are in need of protection.

DWQ will provide a list of waterbodies that meet the primary criteria to the NPS Team.

The secondary criteria for selecting the priority *NPS-impaired waterbodies* are:

- Waters that pose a potential threat to human health,
- Waters that are important for ecological reasons not reflected in their classification and use support ratings (such as endangered species, unique habitats, or significant biological resources),
- Waters that are highly eroded or have other evidence of serious erosion problems that are not reflected in the use support ratings,
- Waters that have experienced a recent, rapid decline in water quality, and
- Waters that have identifiable pollution sources and a high likelihood of successful restoration.

An NPS-impaired waterbody that meets the primary criteria as well as one or more of the secondary criteria listed above is a good candidate for prioritization by the NPS Team. However, the NPS Team may select a priority NPS-impaired waterbody that does not meet the primary criteria but meets *several* of the secondary criteria. This allows the team to select waters that DWQ did not monitor or waters for which the use support rating failed to describe the extent of the NPS problem.

Selecting the Priority NPS Issues

In order to address problems in the remaining NPS-impaired or threatened waterbodies (ones not prioritized for specific Action Plans), the follwing criteria will be used to target NPS issues throughout the basin:

- Issues that apply throughout a significant portion of the basin or address one or more impaired waters that were not selected as a *priority NPS-impaired waterbody,*
- Issues that have a clearly defined "problem" and "solution," and

- Issues that are within the team's ability to address through educational efforts, improved coordination between stakeholders, focused new initiatives, or involvement of additional stakeholders.

4. Determine what is needed to address the priority NPS-impaired waterbody and the NPS issues the team selects.

The NPS Team will decide which actions are likely to restore the priority NPS-impaired waterbodies and address the NPS issues. Some of the possible needs include:

- Public education. When water quality problems result from citizens' lack of knowledge about how their local actions affect water quality or from land use decisions, public education is a key component of the solution.
- Implementation of best management practices (BMPs). BMPs are structural or nonstructural management practices used to reduce nonpoint source inputs to receiving waterbodies in order to achieve water quality protection goals. Often higher levels of pollutant removal can be achieved by using a combination of different BMPs.
    * Structural BMPs generally work by capturing, retaining, and treating runoff before it leaves an area. Some examples of structural BMPs include constructed wetlands and wet detention ponds in urban settings and controlled drainage on agricultural lands. Structural BMPs require regular maintenance.
    * There are a variety of nonstructural BMPs. One nonstructural BMP is source reduction, which reduces the amount of pollutants that are introduced into the environment. Some types of source reduction are nutrient management plans for crop production and hazardous waste collection sites in urban areas. Another nonstructural BMP is maintaining natural drainageways to allow the vegetation and soil to cleanse runoff before it enters a waterbody.
- Ecosystem restoration and management. If a stream's ecosystem is badly damaged, removing pollutants alone will not always restore the water's uses. In cases like these, it will be necessary to restore the ecosystem through measures such as riparian revegetation and streambank stabilization.
- Local water quality planning. Development sites can be planned in order to reduce their risk of harming water quality. Some planning techniques include steering development towards less environmentally sensitive areas, using natural drainage systems rather than curb and gutter, and planning for development densities that allow for open space, greenways, and wildlife corridors.

5. Develop comprehensive Action Plans consisting of management strategies to address the priority NPS-impaired waterbody and the NPS issues.

The NPS Team members will work together to develop "Action Plans." These Action Plans will consist of a list of Action Items that form a coordinated, comprehensive effort to address each priority NPS-impaired waterbody and NPS issue. Each Action Item will include lead contacts, goals, and a schedule for completion and may utilize one or more of the following vehicles for implementation:

- Efforts by NPS Team members: The NPS Team members can make commitments to target their agency's/group's existing resources to address the priority NPS-impaired waterbody or NPS issues. Team members can also agree to share their expertise on a volunteer basis.
- Section 319: Clean Water Act Section 319(h) grant monies are made available to the states on an annual basis by EPA. Agencies in the state that deal with NPS problems submit proposals to DWQ each year for use of these funds in various projects. Projects that have been funded in the past include BMP demonstrations, watershed water quality improvement projects, data

management, educational activities, modeling, stream restoration efforts, riparian buffer establishment, and others. Refer to Section 5.7 for a complete program description.

- Agriculture Cost Share Program: Provides a number of cost-share practices designed to solve soil, water, and related environmental problems in agricultural areas including forested buffer strips.
- Wetlands Restoration Program. A bill recently ratified by the NC General Assembly establishes a statewide Wetland Restoration Program that will provide a leadership role in targeting and consolidating all wetland and riparian area restoration initiatives in NC.
- Proposed Use Restoration Waters (URW) Program. DWQ is currently developing the URW program to restore surface waterbodies to their designated uses. If adopted, this program would allow the state to work with local governments, businesses, and residents to develop focused management strategies appropriate for the area. Those affected by the URW program will be requested to meet well-defined milestones and goals for water quality improvement. If these milestones are not met on a voluntary basis within an established schedule, mandatory controls may be considered by the Environmental Management Commission.
- Federal Initiatives: There are a number of federal programs and resources that may be available to address the Priority NPS-impaired waterbody and NPS issues. These include US Fish and Wildlife Service funds, the USDA-NRCS Wetland Reserve Program, and the Environmental Quality Initiative Program (EQIP) provisions of the Farm Bill.
- Other Programs: There are numerous other programs sponsored by private and state agencies that could be initiated to address the NPS Team's priority waterbodies and issues. Some of these programs include corporate funding for educational programs, the Small Watershed Program, and US Fish and Wildlife Grants. A complete list of funding sources for NPS pollution is listed in Appendix VIII.

6. Implement Action Plans.

Implementation is the most important part of the state's NPS program since it is the only way to restore the priority NPS-impaired waterbody and address NPS issues. Most, if not all, members of the NPS Team will be involved with the implementation of one or more of the Action Items. During the implementation phase, the NPS Team will continue to meet on a regular basis. The purpose of these meetings will be for the team to update each other on their progress toward completing the Action Items and provide a forum for continuing the coordination between team members. When some of the team members experience setbacks in implementing an Action Item, the rest of the team can advise and/or provide additional help so that the item can be completed successfully.

7. Monitor to evaluate the effectiveness of management strategies.

The NPS Team will identify where additional water quality monitoring sites may be needed to document the effectiveness of its Action Plans. DWQ and the NPS Team will cooperate to assure that pre- and post-monitoring is in place before a new program, initiative or BMP is implemented. In order to supplement DWQ's monitoring programs, the team may seek the involvement of citizens' groups. Any agencies that receive 319 grants will be required to conduct pre- and post-evaluations as a part of their project.

8. Consider additional management strategies if the voluntary approaches do not result in an improvement in water quality.

If the NPS Team's management strategies do not show progress in improving water quality according to the designated schedule, DWQ and the team will work together to identify the reason for the lack of progress. Some of the potential courses of action are:

- Reevaluate the source of impairment.

- Increase and/or redirect voluntary measures.
- Consider additional measures.

RECENT WATER QUALITY LEGISLATION

Two new initiatives passed by the 1996 General Assembly will help to rehabilitate hydrologically damaged watercourses. The new Clean Water Management Trust Fund will annually receive 6.5% of the year-end general fund credit balance to help finance projects within the broadly focused areas of restoring and protecting state surface waters and establishing a network of riparian buffers and greenways. Based on historical balances, this allocation could be as much as $40,000,000 annually. Monies will be used for the following water quality protection/restoration activities:

- to acquire land for riparian buffers to develop a network of riparian greenways;
- to acquire conservation easements or other interests in real property;
- to restore previously degraded lands;
- to repair failing waste treatment systems;
- to repair and eliminate failing septic tank systems;
- to improve stormwater controls and management practices; and
- to facilitate planning that targets reductions in surface water pollution.

A second initiative, the new Wetlands Restoration Program, funded at $500,000 and 8 staff for the first year, directs DEHNR to develop prioritized, basin-wide plans for wetlands and riparian area restoration for each of the state's river basins. Mitigation permitting under CWA Section 404 will be made more flexible, including an option of paying into a Wetlands Restoration Fund that will support state restoration efforts guided by the basin-wide restoration plans. The Wetlands Restoration Fund will initially be seeded with $9,200,000 from the new Clean Water Management Trust Fund.

Minutes

House Appropriations Sub-Committee on

Natural and Economic Resources

May 8, 1997 - 8:30 a.m.

The House Appropriations Sub-Committee on Natural and Economic Resources met on Thursday, May 8, 1997 at 8:30 a.m. in Room 605 of the Legislative Office Building. Representative James Carpenter, House Co-Chair, called the meeting to order at 8:30 a.m. Members present were Representatives Carpenter, Baker, Mitchell, Owens, Culp, Fox, Tolson, Hall, and Wilkins.

Representative Carpenter opened the meeting by asking the other Co-Chairs, Rep. Mitchell and Rep. Baker, to comment on the budget process, before beginning the overview of the Senate's recommended budget cuts. Rep. Baker stated that the objective of the committee for the meeting, after reviewing the suggested cuts of the Governor and Senate over the past few meetings, was to identify what cuts to the continuation budget that the committee agreed with. He noted that the expansion budget would not be taken up until the following week when the amount of recurring and non-recurring money available after the continuation budget was completed was known. He also commented that the document for review by the committee on the current agenda was a draft, and that the final copy would not be completed until the next week. Rep. Mitchell then stated that members should alert the committee to any cuts in the draft which they disagreed with and also any other areas which should possibly be cut, but again cautioned that expansion items would not be discussed until the next week when the amount of money available was determined. Rep. Owens was recognized and asked for clarification concerning if non-recurring money would be dealt with in the next week, and was answered in the affirmative by the Chairs. Rep. Baker also mentioned to the committee that there were only two new figures in the draft from what had been previously discussions, and these would be pointed out during the overview.

Staff members Jennifer Herrera, Mark Trogdon and Mona Moon proceeded to review the draft of proposed cuts for the committee. After Ms. Moon reviewed Items 6-8 concerning Marine Fisheries on page 3, Rep. Hall commented that he did not agree with the reductions for the Forestry Service or Parks and Recreation. Rep. Carpenter stated that because these were Senate cuts, the committee did not necessarily have to agree with them and would entertain other suggestions, however, that there would be later opportunities to review these matters. Rep. Baker further responded to Rep. Hall, noting that Dr. Elly of the Department of Parks and Recreation had commented previously that because they could not bring all equipment on line by the beginning of the year, they were not opposed to the budget cuts concerning equipment. He also said that a spokesperson from Forest Resources had stated that the reduction in communications equipment would not harm them, it would simply not bring them up to date. Rep. Culp

then asked if Item 5 (page 3) of the changes in Forest Resources, Increase Receipts, would mean increased payments from the counties. Rep. Carpenter explained that it would result in increased payments of around $120,000 from the counties. Rep. Baker also responded that this issue had been covered during the joint meetings with the Senate, and that this was simply an update of the old formula that had been used to calculate the county tax base in the past. Rep. Wilkins then asked about the parameters were for the budget, and if the committee would be asked to cut more than was currently proposed. Rep. Carpenter responded that this was a possibility, but more would be known at the beginning of the next week. Rep. Mitchell further commented that the House leadership, after consulting with the Committees on Human Resources and Justice and Public Safety, did not believe that the Senate cuts on Medicaid and prisons would be acceptable, and so other cuts would possibly have to come from different committees. Rep. Weatherly then asked what amount of increase the Senate budget represented, suggesting a figure of 8%. Rep. Carpenter responded that the exact figure was not known, and the estimates had ranged from 8% to 11.9% in the second year. Rep. Wilkins also responded that the figure was $160 million dollars over the General Budget. Rep. Weatherly then commented on the issue of increased payments from counties, that he believed this item should be kept and that counties should pay more. Rep. Culp asked what the Senate's increase in the state budget was going to fund. Rep. Carpenter responded that he was not sure, but that other subcommittees had commented they were having problems with the cuts, and that it was likely that the increase was going to the Excellent in Schools Act and Smart Start programs.

Staff then continued the overview, and following Ms. Moon's explanation concerning General Fund Appropriations for Grants in Water Resources (Item 11) on page 4, Rep. Mitchell commented that this was a new figure and offered further explanation. He stated that the chairs had made this change upon further information that the division had made a grant to an eastern county for a park and the sentiment was that if they had extra funds for grants, they could also withstand a cut in funding.

Staff continued the overview. After Ms. Herrera's explanation of the Salary/Span of Control/Operating Reductions, Item 14 on page 5, Rep. Owens asked for clarification that if the committee came up short, any or all of these items could be revisited, which Rep. Carpenter concurred with. Rep. Baker commented that everything would be on the table until the final day.

Staff continued with the overview. After Ms. Herrera's explanation of the reduction in funding for the Council of Governments (COGs), Rep. Owens made a motion to restore the funding of $180,000, because of the excellent job that many COGs did. Rep. Carpenter stated that they would rather not accept the motion at the moment, but continue with the overview and return to the issue at a later time. Rep Owens again requested that the motion be entertained to determine the feeling of the committee. Rep. Fox commented that the COGs in his district did an excellent job and that he would even be in favor of increasing their funding. Rep. Mitchell remarked that if the committee wished to restore this funding, that an equalizing cut from another area would need to be

determined during the meeting to account for it. Rep. Owens then suggested that some of the vacant positions in DEHNR, which had been vacant since January, be eliminated to account for the restoration of the COGs funding. Rep. Hall commented that he had been contacted by a local mayor concerning the effectiveness of the COGs in helping their community obtain a local cable company. Rep. Hall further remarked that is sounded as though the budget was already set, but was assured that is was not. Rep. Mitchell then commented that if the cuts could be found today, that the sentiment of the committee was to restore, but that they needed to have as many cuts as the Senate's budget. Rep. Owens again suggested the positions in DEHNR be cut and that the Department be allowed the discretion to choose which positions to eliminate. Rep. Carpenter accepted Rep. Owens' motion, and called for a voice vote on the motion. The vote was taken and Rep. Baker called division. Rep. Carpenter then asked for a show of hands. The motion passed to restore the COGs' funding 7-2.

Staff continued the overview. After Mr. Trogdon had explained the reduction for Global Transpark Marketing, Item 21, page 8, Rep. Mitchell inquired as to the total amount of the line item expenditure, and Trogdon replied that this would leave approximately 172,000 in transfer funds. Staff then concluded the overview of the draft of Senate budget cuts.

Rep. Carpenter then suggested that the committee discuss where to make equalizing cuts for the restoration of the COGs funding that had been approved earlier in the meeting. Rep. Owens again suggested that some of the 138 vacant positions in DEHNR that had been vacant since prior to Jan. 1st be eliminated, particularly those of a regulatory nature, and that the Department be allowed to select those positions. Rep. Carpenter asked staff if they had any information, and Ms. Moon suggested that staff would need time to sit down with the Department and discuss the vacancies. Moon also cautioned that some of the regulatory positions that were vacant were receipt supported and that only General Fund supported positions would be useful to the committee as potential cuts. Rep. Owens commented that he felt certain there would be more than enough General Fund supported positions in the 138 vacancies open to make up for the $180,000 restoration of funding. Rep. Weatherly concurred with Rep. Owens on this statement. Rep. Culp inquired if each COG received the same amount of funding and was informed by staff that each received $48,000.

Mr. Henry Lancaster II, Deputy Secretary for DEHNR, was then recognized to speak on the issue of vacant positions within his department. He urged the committee to carefully consider these positions before making such cuts, citing several reasons. He indicated that 29 of the vacant positions were in Health, which was a difficult area in which to recruit. He also noted that of the remaining positions, a growing number of those in the environmental arena were receipt funded. He further stated that because of previous shortfalls in receipts to the Water Quality division, due to efficiencies in the Department, an additional amount had been designated in the Senate budget to account for this loss of revenue, and some of these positions, approximately 45, were being held so as to not put those employees on the street, in the hopes of getting more funding.

Finally, he noted that when the remaining positions were reviewed, it involved cutting Forestry and Natural Resources positions. He urged the committee to spread these cuts throughout all of the divisions and departments in the committee.

Rep. Owens stated that he would like DEHNR to provide a list of vacant positions and that there was possibly more than $180,000 that could be cut. Rep. Baker then commented that in addition, the committee still had to determine $156,383 in the Salary/Span of Control/Operating Reductions. Rep. Carpenter then summed up the discussion, that the consensus of the committee was to eliminate some of these positions, and that staff would need a short amount of time to gather this information. Rep. Owens commented that DEHNR must already have this information, and urged that they provided a list as soon as possible. Rep. Carpenter then called for a five minute recess to meet with staff, after which the meeting would resume.

The meeting was reconvened at 9:10am. Rep. Mitchell was recognized for a motion. Rep. Mitchell moved that an additional $180,000 be cut from the seven Regional Economic Partnerships, rather than eliminating positions in DEHNR, to account for the restored funding for the COGs. Rep. Owens then commented that since the Senate had already cut over $225,000, this would be an over $400,000 cut, and since less than half of the membership was present and the item was not on the agenda, that the vote be delayed until more members were in committee. Rep. Carpenter then stated that the committee did have a quorum, with five members and the chair present, and another returning to the meeting, and so would proceed. Rep. Mitchell commented that the Partnerships would still receive roughly $5 million and that there were misuses of the funding as had been pointed out in a previous meeting of the committee, and so the partnerships would not suffer that much from this cut. Rep. Carpenter then informed Rep. Weatherly, who had just returned to the meeting, of the motion. Rep. Tolson asked if the issue of the DEHNR positions could be revisited at a later date and was assured by the Chair that there would be an opportunity to do so. The Chair then called for a voice vote on the motion, which the ayes carried. Staff was then instructed to prepare this motion. Rep. Carpenter asked that DEHNR return the recommendations concerning the previously mentioned Forestry positions to staff by the following Tuesday, May 13th, by 10:00am. Rep. Hall then asked for clarification as to whether this related to the 138 positions that had been previously discussed, and Rep. Carpenter clarified that this referred instead to the Forestry positions that the committee had asked the department to realign with some of the proposed cuts, in order to continue funding for Forestry field positions. Rep. Hall then asked for a report for all of the 138 vacant positions in DEHNR. Mr. Lancaster clarified what was expected of the department relating to review of the vacant positions and the realignment of the Forestry positions. Rep. Tolson commented that the committee needed to be careful not to cut positions which would prevent the Departments from being able to enforce regulations made at the state and federal level, and that the issue should be examined thoroughly. Rep. Hall commented that that while he agreed with Rep. Tolson, the vacant positions which had remained vacant for a long period of time might need to be eliminated. Rep. Tolson agreed with Rep. Hall, but again commented that adequate time was needed to review these positions. Rep. Carpenter confirmed that DEHNR would

have the information available and staff would prepare this information for the next meeting. Rep. Baker announced that members should listen on the House floor on Monday night for the next scheduled meeting. Rep. Owens thanked the committee for its willingness to entertain suggestions from all its members. Rep. Carpenter adjourned the committee at 9:15am.

Respectfully submitted,

Rep. Jim Carpenter
House Co-Chair

Kara McCraw
Committee Clerk

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Natural and Economic Resources May 8, 1997
Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Alexander Pbonie	NCCDJ PoBox 98148 Ral NC
Lou F Turner	DEHNR Lab Services
PHILIP WILSON	COMMERCE
Leo Lilley	Commerce
Angie Harris	Commerce
Rick Webb	Commerce
Matt Ewaldinger	DEHNR- DPPEA
Dan Hunt	DPPEA
Michael Moser	DEHNR
Cam Woolf	DEHNR/DMCH
Ken Ryan	DEHNR/DMCH
Pat Yancey	APPCNC/LLPP

DRAFT

House Subcommittee on Natural and Economic Resources

Agriculture

	GENERAL FUND			
	FY 97-98		FY 98-99	
Recommended Budget	**$49,480,730**		**$49,688,983**	
Legislative Changes				
Agricultural Finance Authority				
1 Reduce General Fund Appropriation Reduce the General Fund appropriation to the Authority by utilizing the interest income earned by the Farm Reserve Loan Fund for the Authority's operating expenses.	($25,000)	R	($50,000)	R
Total Legislative Changes	**($25,000)**	**R**	**($50,000)**	**R**
Total Position Changes				
Revised Budget	**$49,455,730**		**$49,638,983**	

House Subcommittee on Natural and Economic Resources

Labor

	GENERAL FUND			
	FY 97-98		FY 98-99	
Recommended Budget	**$16,068,855**		**$15,986,184**	
Legislative Changes				
OSHNC Division				
2 Transfer Enforcement Positions to Federal Support	($192,546)	R	($192,546)	R
Shifts six OSH Enforcement positions (3 full-time equivalents) and operating support from 100% state funding to 50% federal and 50% state funded support.	-3.00		-3.00	
Total Legislative Changes	**($192,546)**	R	**($192,546)**	R
Total Position Changes	-3.00		-3.00	
Revised Budget	**$15,876,309**		**$15,793,638**	

House Subcommittee on Natural and Economic Resources

Environment, Health, and Natural Resources

GENERAL FUND

	FY 97-98		FY 98-99	
Recommended Budget	**$253,269,888**		**$252,502,338**	
Legislative Changes				
(2.00) Forest Resources				
3 Reduce equipment	($200,000)	R	($200,000)	R
Reduce communications equipment budget.				
4 Defer Equipment Replacement	($500,000)	R	($500,000)	R
Defer replacement of certain property, plant and equipment items in forestry field operations.				
5 Increase Receipts	($120,000)	R	($120,000)	R
Increase receipts collected from counties. Counties share in the cost of forestry operations with a match based on the tax base of the county.				
(2.00) Marine Fisheries				
6 Moratorium Steering Committee	($25,000)	R	($25,000)	R
Eliminate funding for the Fisheries Moratorium Steering Committee, which submitted its final report to the Joint Legislative Commission on Seafood and Aquaculture in October 1996.				
7 Reduce Marine Fisheries Patrol Equipment	($187,321)	R	($187,321)	R
Reduce equipment budget to reflect reduced equipment needs associated with the Marine Fisheries law enforcement expansion request funded in 1995, in accordance with the five year fiscal estimate submitted by the division.				
8 Operating Reserve for Patrol Vessel			$97,436	R
Fund vessel operating reserve for the 1998-99 fiscal year. The reserve is for a patrol vessel funded with a 1996-97 capital improvement appropriation and was omitted from the continuation budget by error.				
(2.00) Parks and Recreation				
9 Reduce Operating Reserve	($300,000)	NR		
Reduce operating reserve for State Parks System.				

House Subcommittee on Natural and Economic Resources

(3.00) Air Quality				
10 Increase Receipts Increase the budgeted amount of program receipts and reduce the General Fund appropriation by an equal amount.	($200,000)	R	($200,000)	R
(3.00) Water Resources				
11 Reduce General Fund Appropriation Reduce General Fund appropriation for grants.	($10,000)	R	($10,000)	R
(4.00) Epidemiology				
12 Alcohol Chemical Testing Certification Program Reduce General Fund support for the alcohol chemical testing training and certification program to more accurately reflect actual expenditures.	($200,000)	R	($200,000)	R
(5.00) Reserves and Special Funds				
13 Water Conservation and Infrastructure District Nonrecurring funds appropriated for the District by the 1995 General Assembly were not eliminated from the 1997-99 continuation budget in error.	($500,000)	R	($500,000)	R

House Subcommittee on Natural and Economic Resources
(6.00) Department Wide

14 Salary/Span of Control/ Operating Reductions	($2,335,426)	R	($2,335,426)	R

Represents the Department's allocated share of this overall reduction:

Office of Controller	
Salary and fringes for 1.00 FTE	$27,541
General Services Office	
Salary and fringes for 1.00 FTE	$25,561
Information Technology Services	
Salary and fringes for 1.00 FTE	$39,669
Personnel/Human Resources	
Salary and fringes for 1.00 FTE	$47,026
Public Health Communication	
Salary and fringes for 1.00 FTE	$45,380
Local Health Services	
Salary and fringes for 1.00 FTE	$31,602
Environmental Health	
Salary and fringes for 1.00 FTE	$24,286
Dental Health	
Salary and fringes for 1.00 FTE	$97,175
State Center for Health Statistics	
Salary and fringes for 1.00 FTE	$26,682
Maternal and Child Health	
Salary and fringes for 7.00 FTEs	$364,633
Cystic Fibosis Purchase of Care funds	$148,699
Health Promotion	
Salary and fringes for 3.00 FTEs	$138,092
Marine Fisheries	
Salary Reserve	$13,861
Oyster Rehabilitation operating funds	$133,655
Soil and Water Conservation	
Salary and fringes for 1.00 FTE	$38,125
Equipment, supplies & travel funds	$56,875
Forest Resources	
Communications Equipment	$140,000
Office of Environmental Education	
Project Tomorrow grants and contracts	$25,000
Aquariums	
Supplies and materials	$41,777
Museum of Natural Science	
Temporary Wages	$50,000

House Subcommittee on Natural and Economic Resources

Parks and Recreation	
Increase receipts	$140,000
North Carolina Zoo	
Salary and fringes for 3.55 FTEs	$85,000
Air Quality	
Salary and fringes for 1.00 FTE	$19,105
Water Quality	
Salary and fringes for 3.00 FTEs	$105,995
Salary Reserve	$69,625
Wetlands Restoration operating funds	$14,449
Coastal Management	
Salary and fringes for 1.00 FTE	$25,068
Land Resources	
Salary and fringes for 1.00 FTE	$43,279
Operating support	$12,124
Water Resources	
Salary and fringes for 1.00 FTE	$29,971
Pollution Prevention & Environmental Assistance	
Salary and fringes for 1.00 FTE	$19,800
Operating support	$ 2,332
Radiation Protection	
Contracts	$25,094
Waste Management	
Salary and fringes for 1.00 FTE	$58,566
Operating support	$12,996
TO BE DETERMINED	$156,383
Substitute reduction for Forest Resources positions to be provided by Department in non-Forestry, supervisory positions	

Total Legislative Changes	**($4,277,747)**	**R**	**($4,180,311)**	**R**
	($300,000)	**NR**		
Total Position Changes				
Revised Budget	**$248,692,141**		**$248,322,027**	

House Subcommittee on Natural and Economic Resources

Commerce

	GENERAL FUND			
	FY 97-98		FY 98-99	
Recommended Budget	**$37,221,648**		**$37,240,885**	
Legislative Changes				
Administrative Services				
15 Budget Indirect Cost Receipts	($52,000)	R	($52,000)	R
Increase the budgeted amount of indirect costs receipts and reduce General Fund appropriation by an equal amount.				
Community Assistance				
16 Reduce Councils of Government (COGs) Funding	($180,000)	R	($180,000)	R
Reduce General Fund support for Councils of Government/Lead Regional Organizations across the state.				
Department Wide				
17 Salary Reductions/Span of Control	($672,485)	R	($672,485)	R
Represents the Department's allocated share of this overall reduction:	-17.00		-17.00	

Administrative Services Salary and fringes for 1.00 FTE	$99,038
Economic Development Program Salary and fringes for 2.00 FTEs	$71,904
Business and Industry Division Salary and fringes for 1.00 FTE	$76,023
International Trade Division Salary and fringes for 2.00 FTEs	$77,862
Division of Energy Salary and fringes for 1.00 FTE	$42,029
Division of Community Assistance Salary and fringes for 1.00 FTE	$54,264
Division of Travel and Tourism Salary and fringes for 1.00 FTE	$24,065
Industrial Commission Salary and fringes for 8.00 FTEs	$227,300
TOTAL REDUCTIONS	$672,485

House Subcommittee on Natural and Economic Resources

Economic Development Program				
18 Reduce Support for Data Processing & Subscriptions	($29,000)	R	($29,000)	R
Reduce funding support for data processing services, subscriptions, and membership dues.				
Executive Aircraft				
19 Reduce Repair Funds	($188,000)	R	($188,000)	R
Reduce funding support for aircraft repair.				
Film Office				
20 Reduce Travel	($25,000)	R	($25,000)	R
Reduce budget for board and nonemployee transportation.				
Global TransPark Marketing				
21 Reduce Support for Global TransPark Marketing	($150,000)	R	($150,000)	R
Reduce General Fund transfer from the Department of Commerce to the Global TransPark Authority in the Department of Transportation for marketing the Global TransPark.				
Industrial Commission				
22 Budget Hearing Cost Receipts	($202,000)	R	($202,000)	R
Increase the budgeted amount of the Commission's Hearing Cost receipts and reduce General Fund appropriations by an equal amount.				
Reserves and Transfers				
23 Reduce Support for the Regional Commissions	($225,000)	R	($225,000)	R
Reduces grant-in-aid support for the seven Regional Economic Development Commissions from $4.68 million to $4.455 million.				
Travel and Tourism				
24 Budget Additional Receipts	($12,000)	R	($12,000)	R
Increase the amount of budgeted receipts and reduce General Fund appropriation by an equal amount.				
Total Legislative Changes	**($1,735,485)**	R	**($1,735,485)**	R
Total Position Changes	-17.00		-17.00	
Revised Budget	**$35,486,163**		**$35,505,400**	

House Subcommittee on Natural and Economic Resources

State Aid to Non-State Entities

GENERAL FUND

	FY 97-98		FY 98-99	
Recommended Budget	**$1,475,000**		**$1,475,000**	
Legislative Changes				
Grants-in-Aid				
25 Transfer N.C. Community Development Initiative Transfer funding for the North Carolina Community Development Initiative, Inc. from the Rural Economic Development Center to the Department of Commerce.	$1,800,000	R	$1,800,000	R
26 Land Loss Prevention Project Eliminate recurring appropriation for the Land Loss Prevention Project and defer consideration to expansion.	($275,000)	R	($275,000)	R
27 Coalition of Farm and Rural Families Eliminate recurring appropriation to the Coalition of Farm and Rural Families and defer consideration to expansion.	($145,000)	R	($145,000)	R
28 Institute of Minority Economic Development Eliminate recurring appropriation and defer consideration to expansion.	($780,000)	R	($780,000)	R
29 North Carolina Minority Support Center Eliminate recurring appropriation and defer consideration to expansion.	($275,000)	R	($275,000)	R
Total Legislative Changes	**$325,000**	R	**$325,000**	R
Total Position Changes				
Revised Budget	**$1,800,000**		**$1,800,000**	

House Subcommittee on Natural and Economic Resources

Rural Economic Development Center

	GENERAL FUND			
	FY 97-98		FY 98-99	
Recommended Budget	**$5,870,000**		**$5,870,000**	
Legislative Changes				
N.C. Association of CDCs				
30 N.C. Association of CDCs Eliminate recurring funding for the North Carolina Association of Community Development Corporations, Inc. and defer consideration to expansion.	($150,000)	R	($150,000)	R
N.C. Community Development Initiative				
31 Transfer N.C. Community Development Initiative Transfer funding for the North Carolina Community Development Initiative, Inc. from the Rural Economic Development Center to the Department of Commerce.	($1,800,000)	R	($1,800,000)	R
Total Legislative Changes	**($1,950,000)**	R	**($1,950,000)**	R
Total Position Changes				
Revised Budget	**$3,920,000**		**$3,920,000**	

Minutes

House Appropriations Sub-Committee on

Natural and Economic Resources

May 14, 1997 - 8:30 a.m.

The House Appropriations Sub-Committee on Natural and Economic Resources met Wednesday, May 14, 1997, at 8:30 a.m. in Room 605 of the Legislative Office Building. Representative Rex Baker, House Co-Chair, called the meeting to order at 8:30 a.m. Members present were Representatives Baker, Mitchell, Carpenter, Culp, Tolson, Fox, Wilkins, Owens, Hall, and Howard Hunter.

Representative Baker stated that the committee would meet this afternoon fifteen minutes after session. The committee will discuss documents that Fiscal Research staff have prepared including the expansion portion of the budget, everything the Senate included in their expansion budget and will incorporate the Governor's recommendations, the items the Governor recommended and the Senate did not, and consider the items the which were not included in either of those. The House leadership has handed the committee approximately $8M of recurring money and approximately $30M non-recurring money. The committee will take a look tomorrow at special provisions and sort through those included in the Senate, and look at new ones the committee might want to put in, but doesn't include capital items.

The following Senate Subcommittee on Natural and Economic Resources handouts were reviewed by Fiscal Research and are attached to these minutes: Housing Finance Agency, Department of Agriculture, Department of Labor, Department of Environment, Health, and Natural Resources through Item No. 37, Federal Wastewater Assistance Matching Funds under Water Quality .

There was discussion by the committee on the following:

Department of Agriculture's Bee Regulatory Support - Representative Culp felt that bee regulatory support was an important issue. Maurice Weaver, of the Department of Agriculture, recommended the committee to support Agronomic Services.

Department of Labor - There was considerable discussion about elevator inspections. The department would like to move inspections from ten months to six months, as there have been some accidents. The National Safety Standards require inspections every six months.

Department of Environment, Health, and Natural Resources' Forest Resources, item No. 22 , Museum of Forestry, was discussed. Representative Wilkes did not think

this should be high on the list. Item No. 27, Grassroots Science Museum was discussed, and Representative Hall felt that counties should provide matching funds for the museums. Representative Fox was in favor of law enforcement salary adjustments for the Division of Parks and Recreation. It was noted that Parks and Recreation want their salaries to be the same as Marine Fisheries and Wildlife and consistent with the State Highway Patrol. Representative Tolson noted that Soil and Water Conservation's item No. 31, Agriculture Cost share for Animal Waste Management, and Water Quality item No. 35, Wastewater Treatment System Operator Training, are important issues. Representative Owens had questions on Land Resources' Item No. 34, Dam Safety Inspection and Assistance. It was reported there are 4800 dams in North Carolina. There was discussion on the high hazard and low hazard dams.

The meeting was adjourned at 9:45 a.m. to reconvene this afternoon fifteen minutes after session.

May 14, 1997 - 3:40 p.m.

The House Appropriations Sub-Committee on Natural and Economic Resources met Wednesday afternoon at 3:40 p.m. in Room 605 of the Legislative Office Building. Representative Rex Baker, House Co-Chair, called the meeting to order at 3:40 p.m. Members present were Representatives Baker, Mitchell, Carpenter, Culp, Tolson, Fox, Wilkins, Owens, Hall, and Howard Hunter.

After opening remarks, Fiscal Research staff reviewed handouts (see attachments) beginning with the Department of Environment, Health, and Natural Resources, Water Quality Section, No. 38, Basinwide Data Management System Development, Department of Commerce, North Carolina Alliance for Competitive Technology Transfer Operating Support to Appropriations, State Aid to Non-State Entities, NC Biotechnology Center, and Rural Economic Development Center.

The committee discussed the following:

Department of Environment, Health, and Natural Resources, Water Quality, No. 38, Basinwide Data Management System Development. Steve Teddar, of the Division of Water Quality, was in attendance to answer questions. He explained the program, noting there was no intent of letting private agendas get in the way. Representative Carpenter explained why he felt this program should be cut. Water Resources, No. 40, Regional Groundwater Management - There was considerable discussion by the committee. Representative Carpenter asked who owned the wells that are being monitored. John Morris, of the Division of Water Resources, explained the network of monitoring wells which are located by permission of private property owners and sometimes state facilities, such as research farms. It supports the state's total program of water resource management, which includes monitoring, regional analysis, and management measures that the division works in partnership with local governments.
Environmental Health, No. 41, Assistance to Local On-Site Wastewater Programs - There was discussion by the committee. Dr. Ronald Levine, State Health Director, explained that the health departments cannot keep up with evaluating and issuing permits for new domestic facilities, residences, and facilities. Funds are important if we are to find areas of pollution and correct. Staffing is inadequate. Environmental Health, No. 45, Food Sanitation Training Funds - was discussed. Linda Sewall, Division of Environmental Health, was in attendance and explained. Environmental Health, No. 47, Coastal Water Quality Monitoring - was discussed. Dr. Ronald Levine stated this will permit regular monitoring at places where our own people and tourists go (beaches, state parks,, rivers, bays, and towns) to make sure they are safe and can be advertised as being safe. The monitoring will include estaurine areas from Virginia to South Carolina. Environmental Health, No. 48, Childhood Lead Exposure Control, was reviewed and explained. Representative Tolson stated this was a critical area and would like for it to be funded. Ms. Sewall explained the program. Health Promotions, No. 56, State Games of North Carolina, was reviewed and explained. It was noted that the money

goes for promotion of the game and direct mail. Representative Carpenter recommended this program be funded at last year's figure of $150,000 and not $200,000. Health Promotions, No. 58, Children's Vision Screening Program, was reviewed and discussed. Dr. Ronald Levine explained this is a new program in the school and will be going statewide. Prevent Blindness, Inc. was explained. Health Promotions, No. 59, Cochlear Implants, was reviewed and discussed. There was discussion about funding recurring vs non-recurring. Dr. Ann Wolfe explained the program is large, and there are not many in the state. She further explained diagnostic, evaluation, etc. is extensive and is for children who do not have insurance and cannot afford to pay for full gamut of services. The services are provided by in-house physicians who waive their fees. Representative Fox noted that that these patients need to be taken care of, and the funds should be recurring. Health Promotions, No. 60, Healthy Start Foundation was reviewed and discussed. The program was explained and noted that Glaxo Wellcome use to fund the program. They are still involved providing their facility, but are not contributing $100,000 as previously done. It was felt that the program could help lower infant mortality. Environmental Permits Information was reviewed. Edith McKinney was in attendance to explain the program and its purpose.

The Department of Commerce was reviewed, and the following items were discussed:

Industrial Commission, item No. 79, Budget Hearing Cost Receipts, was reviewed and discussed. Buck Lattimore explained their progress on the backlog of hearings. Item No. 81, Temporary Positions, was reviewed and discussed. Buck Lattimore noted that these positions are needed to assist with the Commission's backlog of claims, hearings, and appeals. It will take six months to get up-to-date.
No. 82, Increase Industrial Commissioners Salaries, was reviewed and discussed. Buck Lattimore explained the salaries. Representative Owens recommended to fund one-half this year and the other half next year. Industrial Finance Center, No. 83, Increase Industrial Development Fund, was reviewed and discussed.
It was explained that it is a special provision fund that would allocate the funds for the water and sewer project in Martin County. Representative Mitchell asked who determines where that money goes, and Fiscal Research staff reported they would follow the direction of the special provision language. They would provide grant to Martin County which would serve as an industrial park. Representative Tolson felt this was a good item to support.

North Carolina Alliance for Competitive Technology Transfer Operating Support to Appropriations was reviewed and discussed. Representative Owens recommended to fund $375,000 over the next two years and come back giving the specific things they have done to keep industry in the state. Representative Fox noted there are not enough people knowing this is available. The purpose is to help industry already in the state now in selecting computer systems they need. The results have been great. Representative Tolson felt the funds should remain at $500,000.

At this time, the committee went into a work session to decide on things they would like to include in the budget.

Representative Culp expressed concern and support for an assistant park ranger in Randolph County and asked for $47,928 for two years and the county would put in $27,000. He referred to HB 181 entitled AN ACT TO APPROPRIATE FUNDS FOR A NEW ASSISTANT COUNTY FOREST RANGER POSITION IN RANDOLPH COUNTY. He further noted that Randolph is the 10th largest county in the state, and one-third of it is forest land. The rangers have additional duties now and are overloaded with work, and an assistant park ranger is really needed.

Representative Wilkins noted a need for Fund Utility Account (Industrial Development Fund), which provides non-recurring funding support for economic development related water and sewer infrastructure projects in tier one enterprise counties.

Representative Owens noted he would like to see the regional commissions go back to the level the Senate cut which is $225,000.

Representative Baker noted he would like to put in additional funds for rabies. Senator East's bill put $97,000 per year in the Senate.

Representative Mitchell noted he would like for the committee to consider beaver money at the same level it was the last time.

Representative Mitchell noted a request from Representative Preston. She has a bill, HB 252, for shellfish mapping for $75,000 in recurring money.

There was a request from Representative Sherrill regarding a soil mapping bill which the Senate did not fund. Fiscal Research staff noted that in the department's span of control reduction, there is a provision for Soil & Water Conservation. That position could be reallocated to finish mapping in Buncombe County. The committee will need to restore the money.

Travel and Tourism - Luanne Winner, representative for the Travel and Tourism Coalition in North Carolina, reported that a study had been done to rank North Carolina with the funding for other states. Tennessee, Virginia, and South Carolina were all spending over $13M on travel and tourism. North Carolina spends $6.4 M and explained the programs it would be spent on. Travel and Tourism are asking for $1.7M for international marketing which takes them over the level they have had for the last three years. Representative Mitchell recommended giving Travel and Tourism $4M.

Stan Adams, Director of Forest Resources, noted he would like to have money to operate the super- scooper plane - $788,700 for the first year and $706,950 the second year.

Howard Hunter requested $170,000 for Maternal Health Care. He would be interested in $50,000 to assist Northampton County in getting some waste water improvement money for an industrial park and $50,000 for engineering and professional services for surveying associated with industrial parks.

Representative Carpenter felt assistance is needed in Economic Development. The Rural Economic Center is where one turns to for assistance. He felt his request and Representative Hunter's request would both fall into water and sewer needs. Of the $2,400,000 in Rural Economic funds, he would like to see $2,750,000. That would take care of both requests.

Representative Mitchell noted that Soil & Water needs $150,000 for travel money for supervisors. Dewey Botts explained the project and needs for doing the work.

Henry Lancaster, Deputy Secretary for the Department of Environment, Health, and Natural Resources, requested that when the committee considers fire fighting and special provisions come around to consider the revenues that could be generated in leasing out plane to ensure that some revenues go back in maintenance and operations.

The meeting was adjourned at 6:45 p.m.

Respectfully submitted,

Representative Rex L. Baker
House Co-Chair

Jo Hinton
Committee Clerk

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Natural and Economic Resources 5-14-97

Name of Committee Date 8:30 a.m.

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
JW Reed	OSBM
Shelle Waltieri	OSBM
Johnny Gray	OSBM
LEE HUNTER	DEHNR
Becky Brown	Labor
Joel McCleos	TDA
	TDA
Andrea Harris	NCIMED
WALT PLOSILA	NCACTS
Phil Wilson	NC Dept. of Commerce
BUCK LATTIMORE	NC INDUSTRIAL COMMISSION
Cathey Cottle	EHNR - DWQ
	EHNR - DWQ
Adam Searing	NC Health Access Coalition
	DEHNR
	HFA + HSF
Rhoda Raney	NCACDC
Jeanne E Wrinn	Eba HQS
	DPPEA
	DEHNR
Katie Early	REAL Enterprises
Kathy Berry	CCNC
TC Rowe	DET / COMMERCE
Bill McNeil	COMMERCE - DCA
	DEHNR - DLR - LQS
	NCJCDC
Patricia A. Yancey	APPCNC / LLPP

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Natural and Economic Resources

Name of Committee | Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Lori Ann Harris	Sanford Holshouser
George Haeuel	NCWF
Doug Culbreth	Dept of Commerce
Jan Stanton	" " "
SUSAN PERRY Cole	Commerce
Anita McNeil	EHNR
Jane J. Smith	EHNR
Anne Taylor	Office of Env. Ed. - DEHNR
Angie Hardin	Commerce
Leo Tilley	"
DAVID HOLLOWAY	State Planning
Paula Dupree	NCTA

5-14-97
P. M. mtg.

VISITOR REGISTRATION SHEET

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY
1. Donna E. Dunn	E & T & S
2. Carolyn A. Pierce	NC Coalition
3. Shelle Vassiri	OSBM
4. JW Reed	"
5. Johnny Gray	"
6. Linda Sewall	DEHNR / DEH
7. Lee Hunter	DEANR
8. Francis M. Mills III	DEHNR / DLR / LQS
9. Jon V. Bennett	NCCFTF
10. Peter Andersen	DEHNR / DHP
11. Michael Moser	DEHNR / EPIO
22. Christy Russell	N.C. Biotechnology Ctr.
23. Chris Hamm	N.C. Biotech.
24. Jennifer Green	Prevent Blindness
25. Bob Havely	Prevent Blindness
26. Walt Plosila	NC ACTs
27. Phil Wilson	Commerce
28. Gary Hunt	DDDEA
29. John Morris	EHNR
30. Cathey Cottle	DWQ
31. Harlan Britt	DWQ

32.	Adam Searing	NC Health Access Coalition
33.	Patricia A Yancey	LLPP / AIPP
34.	Rhonda Raney	NCAOC
35.		
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Housing Finance Agency

	GENERAL FUND	
	FY 97-98	FY 98-99
Recommended Continuation Budget	**$2,300,000**	**$2,300,000**
Legislative Changes		
Housing Finance Agency		
1 Housing Trust Fund		
Support for the Housing Trust Fund.	$5,000,000 NR	
Total Legislative Changes	**$5,000,000 NR**	
Position Changes		
Revised Budget	**$7,300,000**	**$2,300,000**

Agriculture

GENERAL FUND

	FY 97-98		FY 98-99	
Recommended Continuation Budget	**$49,480,730**		**$49,688,983**	
Legislative Changes				
Agricultural Finance Authority				
2 Reduce General Fund Appropriation	($10,000)	R	($10,000)	R
Reduce the General Fund appropriation to the Authority by utilizing the interest income earned by the Farm Reserve Loan Fund for the Authority's operating expenses.				
Agronomic Services				
3 Agronomic Advisory Services	$314,767	R	$445,117	R
Funds to increase waste disposal and water management services provided by the Agronomics Division to meet the demand for increased technical assistance from regional agronomists and section chiefs.	$217,151 7.00	NR	 8.00	
Food and Drug Protection				
4 Food Related Facilities Funds	$113,994	R	$113,994	
Funds to continue support for inspection of food processing facilities, food storage warehouses, retail stores, and medicated livestock-feed manufacturing facilities.	4.00		4.00	
Grants-in-Aid				
5 Fair and Exhibition Center				
Funds for a fair and exhibition center.	$1,500,000	NR		
6 Stanly County Agri-Center				
Funds for the Stanly County Agri-Center.	$50,000	NR		
7 Haywood County Agri-Center				
Funds for the Haywood County Agri-Center.	$200,000	NR		
8 North Carolina Tobacco Museum				
Grant-in-aid to support the North Carolina Tobacco Museum in Kenly.	$25,000	NR		

Maritime Museum

9 Transfer Maritime Museum to Cultural Resources	($792,227)	R	($786,713)	R
Transfer positions, equipment, and operating support for the North Carolina Maritime Museum to the Department of Cultural Resources.	-17.25		-17.25	

	FY 1997-98	FY 1998-99
Requirements	$792,527	$787,013
Receipts	($ 300)	($ 300)
Appropriation	$792,227	$786,713

Marketing

10 Grant-in-Aid	$37,000	R	$37,000	R
Increase grant-in-aid to the Western North Carolina Development Association.				

Plant Industry - Plant Protection

11 Bee Regulatory Support	$170,212	R	$170,212	R
Funds for expanded regulatory support to protect the North Carolina bee and honey industry from parasitic mites, bee disorders and the Africanized bee.	$45,894	NR		
	2.00		2.00	

Total Legislative Changes	**($166,254)**	R	**($30,390)**	R
	$2,038,045	NR		
Position Changes	-4.25		-3.25	
Revised Budget	**$51,352,521**		**$49,658,593**	

Labor

GENERAL FUND

	FY 97-98	FY 98-99
Recommended Continuation Budget	**$16,068,855**	**$15,986,184**

Legislative Changes

Boiler and Pressure Vessel Bureau

12 Expand Inspection Staff with Receipt Support

Adds four boiler and pressure vessel inspection staff to conduct safety inspections in accordance with the inspection intervals required in statute. Funding support will be provided with increased receipts generated by inspections conducted with these additional positions.

	FY 1997-98	FY 1998-99
Requirements	$ 211,316	$ 196,316
Receipts	(211,316)	(196,316)
Appropriation	0	0

Elevator and Amusement Device Bureau

13 Expand Inspection Staff with Receipt Support

Adds four elevator inspection staff and one administrative support position to conduct safety inspections -- at six month intervals -- of all elevators in the state. Funding support will be provided with increased receipts generated by these positions assisting in the increased frequency of elevator inspections from an average of every 10 months to every 6 months.

	FY 1997-98	FY 1998-99
Requirements	$ 248,061	$ 228,361
Receipts	(248,061)	(228,361)
Appropriation	0	0

Information Office

14 1-800-LABOR-NC Provide additional operating support for the Department's toll-free telephone number.	$12,000	R	$14,500	R

OSHNC Division

15 Transfer Enforcement Positions to Federal Support Shifts six OSH Enforcement Positions from 100% state funded support to a combination of 50% federal and 50% state funded support.	($192,546) -6.00	R	($192,546) -6.00	R

Total Legislative Changes	**($180,546)**	**R**	**($178,046)**	**R**
Position Changes	-6.00		-6.00	
Revised Budget	**$15,888,309**		**$15,808,138**	

NORTH CAROLINA DEPARTMENT OF LABOR
GOVERNOR'S RECOMMENDED EXPANSION

I. Elevator Division Staff Expansion

GS 95-14A requires safety inspections on elevators as often as twice a year and the Elevator Code (ASME A17.1) as adopted requires routine inspections and testing if elevators shall be made at intervals not longer than six months. With the current inspection staff (24 inspectors/3 supervisors) we are unable to inspect *all* elevators on this schedule. With this additional manpower (4 inspectors/1clerical) the division will be able to: make safety inspections on a six month basis, reduce violations, and enhance elevator safety for the riding public. **This request is 100% receipt supported!**

	1997-98	1998-99
Requirements	$248,061	$228,361
Elevator Receipts	248,061	228,361
Appropriation	$ -0-	$ -0-
Positions	5	5

II. Establish Departmental Safety Officer/1-800 Operator

The Governor recommended monies to replace the loss of federal dollars for an annual federal grant. This was our number one priority and was critical to the on-going operation of the program. However, since this budget was prepared, the department has learned that federal funding will continue for this purpose. Therefore the department would like to use the appropriation for our top priority at this time:

Departmental Safety Officer	$49,849	$45,349
1-800 Operator	42,325	42,325
Appropriation	$92,174	$87,674
Positions	2	2

Environment, Health, and Natural Resources

GENERAL FUND

	FY 97-98		FY 98-99	
Recommended Continuation Budget	**$253,269,888**		**$252,502,338**	
Legislative Changes				
(2.00) Environmental Education				
16 Environmental Education Grant Fund Funds to provide grants to schools, community organizations and environmental education centers to develop environmental education libraries.	$200,000	R	$200,000	R
(2.00) Forest Resources				
17 Reduce equipment Reduce communications equipment budget.	($200,000)	R	($200,000)	R
18 Defer Equipment Replacement Defer replacement of certain property, plant and equipment items in forestry field operations.	($500,000)	R	($500,000)	R
19 Increase Receipts Increase receipts collected from counties. Counties share in the cost of forestry operations with a match based on the tax base of the county.	($120,000)	R	($120,000)	R
20 Additional Fire Fighting Support Funds for the provision of vehicles/equipment for forest fire fighting purposes.	$2,500,000	NR		
21 Rural Community Fire Protection Program Funds to provide support to the Rural Community Fire Protection Program.	$100,000	R	$100,000	R
22 Museum of Forestry Grant-in-aid to Columbus County for planning and developing a Museum of Forestry.	$1,500,000	NR		
23 Lincoln/Gaston Helicopter Funds Funds to cover the costs associated with preparing a federal surplus helicopter for fire control in Lincoln and Gaston Counties.	$282,560	NR		

(2.00) Marine Fisheries

24 Moratorium Steering Committee	($25,000)	R	($25,000)	R
Eliminate funding for the Fisheries Moratorium Steering Committee, which submitted its final report to the Joint Legislative Commission on Seafood and Aquaculture in October 1996.				
25 Reduce Marine Fisheries Patrol Equipment	($187,321)	R	($187,321)	R
Reduce equipment budget to reflect reduced equipment needs associated with the Marine Fisheries law enforcement expansion request funded in 1995, in accordance with the five year fiscal estimate submitted by the division.				
26 Operating Reserve for Patrol Vessel			$97,436	R
Fund vessel operating reserve for the 1998-99 fiscal year. The reserve is for a patrol vessel funded with a 1996-97 capital improvement appropriation and was omitted from the continuation budget by error.				

(2.00) Museum of Natural Sciences

27 Grassroots Science Museums	$100,000	R	$100,000	R
Additional funds for Grassroots Science Museums.	$2,550,000	NR		

(2.00) Parks and Recreation

28 Reduce Operating Reserve	($300,000)	NR		
Reduce operating reserve for State Parks System.				
29 Adopt-a-Trails Program				
Nonrecurring funds to expand the Adopt-a-Trails grant program.	$50,000	NR		
30 Law Enforcement Salary Adjustment	$363,407	R	$374,409	R
Funds to adjust the average salary of law enforcement officers in Parks and Recreation based on the average salary of law enforcement officers in the Division of Marine Fisheries and the Wildlife Resources Commission.				

(2.00) Soil and Water Conservation

31 Agriculture Cost Share for Animal Waste Management				
Additional funds for the Agriculture Cost Share Program for Nonpoint Source Pollution Control to assist existing farming operations in obtaining approved animal waste management plans.	$2,000,000	NR		

32 Agriculture Cost Share County Technical Assistance Additional funds to reimburse counties up to 50% of the costs of providing technical assitance in the planning, design and installation of agricultural BMPs to improve water quality.	$300,000	R	$300,000	R
(3.00) Air Quality				
33 Increase Receipts Increase the budgeted amount of program receipts and reduce the General Fund appropriation by an equal amount.	($200,000)	R	($200,000)	R
(3.00) Land Resources				
34 Dam Safety Inspection and Assistance Funds to establish additional positions to increase the number of dam inspections and to provide technical assistance to owners in the areas of design and construction planning, maintenace, repairs, and emergency action plans.	$255,336 $19,000 5.00	R NR	$255,336 5.00	R
(3.00) Water Quality				
35 Wastewater Treatment System Operator Training Funds to provide training, certification and continuing education courses for wastewater treatment system operators for one year.	$474,795 5.00	NR		
36 Regional Wastewater Management Funds to develop a regional wastewater collection, treatment and disposal system that uses innovative technology to reduce nutrient and organic loadings to surface waters.	$1,000,000	NR		
37 Federal Wastewater Assistance Matching Funds Funds to provide the 20% state match required to receive federal wastewater assistance through US EPA's Water Pollution Control Program. Funds will be used to provide low interest loans to local units of government for wastewater construction and improvement projects.	$4,001,775	NR		
38 Basinwide Data Management System Development Funds for a program delivery initiative to focus on consolidating all existing databases and facilitating access to environmental programs and data. Support staff and equipment needed to maintain the system will be phased in.	$260,846 1.00	R	$375,153 3.00	R
39 Citizens' Monitoring Program Funds to establish a citizens' water quality monitoring program. State program staff will be responsible for training volunteers in water quality monitoring and quality assurance activities, coordinating local efforts, and providing program oversight.	$286,950 $6,900 2.00	R NR	$286,950 2.00	R

(3.00) Water Resources

40 Regional Groundwater Management	$150,000	R	$150,000	R
Funds for monitoring in the Black Creek and Upper Cape Fear aquifers and for maintenance of monitoring wells in the area. The effective date for these positions is October 1, 1997.	3.00		3.00	

(4.00) Environmental Health

41 Assistance to Local On-Site Wastewater Programs	$113,016	R	$113,016	R
Funds to provide additional training, technical assistance and regulatory oversight to local programs in the areas of plan review, septic tank design, manufacture, installation and performance.	$11,900 2.00	NR	2.00	
42 Straight Pipe Elimination Program	$87,500	R	$87,500	R
Funds to provide additional staff to identify and eliminate straight pipe sewage and wastewater discharges and failing septic systems throughout the state.	$12,500 2.00	NR	2.00	
43 Evaluation of Septic Problems				
Funds to evaluate the condition of septic tanks in the Neuse River Basin.	$150,000	NR		
44 Support for Local Environmental Health Programs	$473,870	R	$473,870	R
Funds to provide training, continuing education and technical assistance to local environmental health specialists performing food, lodging and institution inspections, and other regulatory activities to ensure the sanitation and safety of swimming pools, spas and tatoo artists.	$26,130 8.00	NR	8.00	
45 Food Sanitation Training Funds				
Funds to provide training and continuing education to persons who conduct food and lodging inspections for county health departments.	$100,000	NR		
46 Federal Water Supply Assistance Matching Funds				
Funds to provide the 20% state match required to receive a federal capitalization grant through US EPA's Drinking Water State Revolving Fund Program. Funds will be used to provide low interest loans to public water systems for capital expenditures associated with drinking water regulations and compliance.	$9,222,820	NR		
47 Coastal Water Quality Monitoring	$337,566	R	$337,566	R
Funds to develop and implement a program to monitor coastal area waters, rivers and sounds for contaminants to protect the public health of swimmers and other recreational users of the state's coastal waters.	$59,500 6.00	NR	6.00	

48 Childhood Lead Exposure Control	$210,879	R	$210,879	R
Funds to expand the state's Childhood Lead Poisoning Prevention Program to emphasize compliance with maintenance standards to minimize lead hazards. Funds contingent upon passage of SB 806.	$26,200	NR		
	3.00		3.00	
(4.00) Epidemiology				
49 Alcohol Chemical Testing Certification Program	($200,000)	R	($200,000)	R
Reduce General Fund support for the alcohol chemical testing training and certification program to more accurately reflect actual expenditures.				
50 Rabies Detection and Prevention Program	$50,000	R	$50,000	R
Funds to provide additional professional consultation and education services to help prevent the spread of rabies.	1.00		1.00	
(4.00) Health Promotion				
51 Heart Disease & Stroke Prevention Awareness	$170,500	R	$170,500	R
Funds to develop and maintain a database of existing cardiovascular disease related services and to conduct a statewide media campaign to raise awareness about cardiovascular disease, as recommended by the Heart Disease and Stroke Prevention Task Force established in 1995.	$29,500	NR		
52 Heart Disease Data Funds				
Funds to begin the identification, coordination and assessment of existing cardiovascular databases within the state.	$100,000	NR		
53 Cancer Control Plan Implementation Funds				
Funds to begin implementation of the North Carolina Cancer Control Plan prepared by the Advisory Committee on Cancer Coordination and Control.	$500,000	NR		
54 Osteoporosis Task Force				
Funds to establish and support the Osteoporosis Task Force.	$200,000	NR		
55 Arthritis Program				
Continue grant-in-aid for private local project providing services to arthritis patients in Mecklenburg County.	$15,000	NR		
56 State Games of North Carolina				
Funds for the Governor's Council on Physical Fitness to support the State Games.	$200,000	NR		
(4.00) Maternal and Child Health				
57 Maternal Outreach Worker Program	$825,000	R	$825,000	R
Funds to expand the maternal outreach worker program by providing funding for 63 additional home visitors employed by local service providers.	1.00		1.00	

58 Children's Vision Screening Program Funds to support a statewide training and certification program for school-based vision screeners. The department will contract with Prevent Blindness, Inc. to implement the program.	$419,000	R	$419,000	
59 Cochlear Implants Funds for grant to UNC Board of Governors for the Carolina Communicative Disorders Program at the School of Medicine at UNC-Chapel Hill to provide cochlear implants and other communication devices for hearing impaired children.	$230,000	R	$230,000	R
60 UNC Craniofacial Center Funds for grant to UNC Board of Governors for the UNC Craniofacial Center at the School of Denistry at UNC-Chapel Hill to provide diagnostic and treatment services for children with craniofacial anomalies.	$343,000	R	$343,000	R
(5.00) Reserves and Special Funds				
61 Water Conservation and Infrastructure District Nonrecurring funds appropriated for the District by the 1995 General Assembly were not eliminated from the 1997-99 continuation budget in error.	($500,000)	R	($500,000)	R
62 Maintenance of Existing Water Quality Programs Reserve to maintain the existing level of staff in the Water Quality Section to continue water quality programs and activities at the current level of service for one year.	$1,000,000	NR		
63 Cape Fear River Assembly, Inc. Funds for programs to monitor and improve the water quality of the Cape Fear River.	$1,500,000	NR		
64 Roanoke-Pamlico Estuary System Water Quality Funds to establish a water quality monitoring program for the Roanoke-Pamlico Estuary System.	$400,000	NR		
65 Healthy Start Foundation Funds to provide statewide planning, promotion, and coordination for the First Step Campaign and to support other programs and activities aimed at reducing infant mortality.	$650,000	NR		
(6.00) Department Wide				
66 Salary Reductions/Span of Control Represents the Department's allocated share of this overall reduction.	($2,335,425)	R	($2,335,425)	R
(7.00) Wildlife Resources Commission				
67 South Mountains Gamelands Funds Funds to assist in the acquisition of gamelands for hunting, fishing, outdoor recreation, and conservation in the South Mountains.	$5,000,000	NR		

Total Legislative Changes	**$1,009,124**	**R**	**$1,231,869**	**R**
	$33,288,580	**NR**		
Position Changes	39.00		36.00	
Revised Budget	**$287,567,592**		**$253,734,207**	

1. **Marine Fisheries**

The Marine Fisheries Commission is mandated by General Statute to manage, restore, develop, cultivate, conserve, protect and regulate the marine and estuarine resources of the state. The Division of Marine Fisheries is charged with the stewardship and management of the marine and estuarine resources of the state. As a result of issues discussed by the North Carolina Commercial Fisheries Moratorium Steering Committee established by the General Assembly in 1994, the following recommendations are made.

	1997-98	1998-99
A. Fishery Management Plan Program		
State Fisheries Management Plans (FMP's) are needed to guide management of coastal fisheries stocks, ensure the long-term viability of these stocks and to maximize economic return. State FMP's are intended to reorient North Carolina fisheries management efforts by providing basic direction for the Marine Fisheries Commission and the Division of Marine Fisheries, long-range certainty for the regulated fishing community and by building accountability into the system. It is anticipated that it will take five years to complete these plans for the 31 major species of fish. Of the amount recommended $297,460 for 1997-98 is nonrecurring.	$ 1,867,861	$ 1,570,401
Number of Positions	25.0	25.0
B. Coastal Fisheries Habitat		
It is recommended that a Coastal Fisheries Habitat Section be established within the Division of Marine Fisheries. The proposed program will implement a greatly improved ability to review and comment on habitat alteration permit applications, provide staff to participate in preparation of Habitat Protection Plans recommended by the Moratorium Steering Committee, and initiate applied research on the relationship among habitat and fisheries production. Of the amount recommended for 1997-98 $176,700 is nonrecurring.	632,057	455,357
Number of Positions	10.0	10.0

	1997-98	1998-99
C. North Carolina Marine Fisheries Commission Support		
The North Carolina Marine Fisheries Commission (MFC) is required by General Statute to hold quarterly meetings to meet its mandate to manage, restore, develop, cultivate, conserve, protect and regulate the marine and estuarine resources of the State of North Carolina. The Division of Marine Fisheries and Department of Environment, Health, and Natural Resources are charged by General Statutes with providing all clerical and other services required by the Marine Fisheries Commission. This request will provide funding for a clerical staff for the commission, with $17,000 for 1997-98 from nonrecurring funds.	$ 133,091	$ 116,091
Number of Positions	2.0	2.0
2. Water Quality Program Stakeholder Assistance, and Accountability Initiative (Basinwide Management)		
This recommendation will provide funds for a "stakeholder assistance and accountability initiative" and would focus on ease of access to environmental programs and provide assistance for meeting water quality goals and a nonregulatory mechanism for enhanced feedback from the program's customers regarding services rendered. The Basinwide process has become very integral to the operation of the Water Quality Program. Of the recommendation for 1997-98 $212,400 is from nonrecurring funds.	623,032	410,632
Number of Positions	8.0	8.0
3. Environmental Permits Information Center		
This recommendation will provide funding for permanent staffing of the Permits Information Center to maintain a higher level of expertise and continuity in the program and to produce and update a larger number of customer friendly permitting guides. This program provides a single point of contact within the department for permit information.	$ 155,000	$ 123,534
Number of Positions	2.0	2.0

Commerce

	GENERAL FUND			
	FY 97-98		FY 98-99	
Recommended Continuation Budget	**$37,221,648**		**$37,240,885**	
Legislative Changes				
Administrative Services				
68 Budget Indirect Cost Receipts	($52,000)	R	($52,000)	R
Increase the budgeted amount of indirect costs receipts and reduce General Fund appropriation by an equal amount.				
Business and Industry Division				
69 Marketing Missions and Trade Shows	$80,000	R	$120,000	R
Increases funding support for the Division's participation at industry trade shows and for conducting national marketing missions.				
70 Fund Industrial Recruitment Competitive Fund				
Provides nonrecurring funding support for the Industrial Recruitment Competitive Fund.	$1,000,000	NR		
71 Regional Office Staff Support	$22,100	R	$26,000	
Provides an administrative support position for the Piedmont Triad Regional Office. The effective date of the position is September 1, 1997.	$5,900 1.00	NR	 1.00	
Community Assistance				
72 Reduce Councils of Government (COGs) Funding	($180,000)	R	($180,000)	R
Reduce General Fund support for Councils of Government/Lead Regional Organizations across the state.				
Department Wide				
73 Salary Reductions/Span of Control Study	($672,485)	R	($672,485)	R
Represents the Department's allocated share of this overall reduction.	-17.00		-17.00	
Economic Development Program				
74 Reduce Support for Data Processing & Subscriptions	($29,000)	R	($29,000)	R
Reduce funding support for data processing services, subscriptions, and membership dues.				

75 New and Emerging Industry Planning Provides recurring funding for contracts and operating support to target high growth and emerging technology industries for recruitment to the state, promote technology transfer and entreprenuership and to develop business support networks within the state.	$300,000	R	$300,000	R
Executive Aircraft				
76 Reduce Repair Funds Reduce funding support for aircraft repair.	($188,000)	R	($188,000)	R
Film Office				
77 Reduce Travel Reduce budget for board and nonemployee transportation.	($25,000)	R	($25,000)	R
Global TransPark Marketing				
78 Reduce Support for Global TransPark Marketing Reduce General Fund transfer from the Department of Commerce to the Global TransPark Authority in the Department of Transportation for marketing the Global TransPark.	($150,000)	R	($150,000)	R
Industrial Commission				
79 Budget Hearing Cost Receipts Increase the budgeted amount of the Commission's Hearing Cost receipts and reduce General Fund appropriations by an equal amount.	($202,000)	R	($202,000)	R
80 Case Management System Provides funds for operating and maintenance costs, staff support to maintain hardware and software, and to develop system applications.	$638,571 $17,700 3.00	R NR	$638,571 3.00	R
81 Temporary Positions Provides nonrecurring funds to support temporary positions to assist with the Commission's backlog of claims, hearings, and appeals.	$100,000	NR		
82 Increase Industrial Commissioners Salaries Increases the salaries of the Industrial Commission's six Commissioners to the same amount as that for District Attorneys. Increases the salary of the Chairman of the Industrial Commission to the same amount as District Attorneys plus an additional $1,500 per annum.	$113,730	R	$113,730	R
Industrial Finance Center				
83 Increase Industrial Development Fund Provides a $1 million nonrecurring expansion for the Industrial Development Fund.	$1,000,000	NR		

84 Fund Utility Account (Industrial Development Fund)

Provides nonrecurring funding support for economic development related water and sewer infrastructure projects in tier one enterprise counties.

$2,000,000	NR	

85 Increase Operating Support

Provides additional operating support for the Industrial Finance Center.

$50,000	R	$50,000 R
$20,000	NR	

International Trade

86 Global Offices

Funds to contract with representatives to expand the division's foreign offices into 4 new and emerging markets in and around South Africa, the United Kingdom, South America, and the Middle East.

$300,000	R	$300,000 R

87 Foreign Trade Shows

Increase recurring funding for trade shows and missions to expose small and medium sized companies to the international marketplace.

$200,000	R	$200,000 R

88 International Trade Specialists

Increase the number of international trade specialists to enhance the state's marketability to potential customers in "Big Emerging Markets" (BEM). The effective date of these postions is September 1, 1997.

$180,736	R	$196,044 R
$12,000	NR	
2.00		2.00

Reserves and Transfers

89 Reduce Support for the Regional Commissions

Reduces grant-in-aid support for the seven Regional Economic Development Commissions from $4.68 million to $4.455 million.

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

90 Year of the Mountain

Reserve for planning initiatives.

$300,000	NR

91 Transfer to East Carolina University

Provides nonrecurring funds to be transferred to the UNC Board of Governors for East Carolina University to provide start-up and operating expenses to support the L.T. Walker International Human Performance Center.

$350,000	NR

92 Institute for Aeronuatical Technology

Provides $1 million in nonrecurring funding for the Institute for Aeronautical Technology. Funds are to be used for planning, design, and land acquisition.

$1,000,000	NR

93 Special Olympics 1999 World Summer Games

Nonrecurring funds to support the Special Olympics 1999 World Summer Games.

$700,000	NR

Travel and Tourism				
94 Budget Additional Receipts Increase the amount of budgeted receipts and reduce General Fund appropriation by an equal amount.	($12,000)	R	($12,000)	R
95 Advertising Funds Expand current promotional advertising funds and associated expenses to promote North Carolina as a travel destination.	$1,000,000	R	$1,000,000	R
96 International Marketing Funds to continue and expand the promotion of North Carolina as a travel destination in the international arena.	$950,000	R	$950,000	R
97 1-800-VISIT-NC Additional funds for the tourism hotline operated at Women's Prison.	$250,000	NR		
98 Rural Tourism Development Funds Funds to support the Rural Tourism Development Grants program.	$300,000	NR		
99 Heritage Tourism Funds to operate small scenic attractions of historic value to the state.	$300,000 6.00	R	$300,000 6.00	R
Wanchese Seafood Industrial Park				
100 Restore Governor's Reduction Restore Governor's recommended continuation budget reduction in funding and positions.	$122,594 3.00	R	$122,594 3.00	R
Total Legislative Changes	**$2,522,246** **$7,055,600**	R NR	**$2,581,454**	R
Position Changes	-2.00		-2.00	
Revised Budget	**$46,799,494**		**$39,822,339**	

	1997-98	1998-99
International Trade Development - Continued		
C. Global Offices		
Foreign trade offices give North Carolina the opportunity for gaining global exposure and expanding our knowledge and market of certain international markets. Current foreign offices are located in Germany, Japan, Hong Kong, and Mexico. In order to effectively reach companies throughout the world, it is important to expand the coverage to include the new Big Emerging Markets especially in and around South Africa, the United Kingdom, and countries in South America and the Middle East while continuing efforts in the mature markets already containing foreign offices. Recurring funding for four contracted trade representatives situated in these strategic parts of the world will assist in this effort.	$ 300,000	$ 300,000
3. **North Carolina Alliance for Competitive Technology-Transfer Operating Support to Appropriations** This recommendation for the North Carolina Alliance for Competitive Technologies (NCACTs) will replace the three-year matching federal grant from the National Institute of Standards and Technology which ends in 1996-97. Through its primary functions of strategic planning, coordination, evaluation and leveraging, NCACTs is able to fulfill its two primary objectives which are to encourage state-supported technology-based economic develop-ment organizations to collaborate in activities and services to industries, and to implement the state's technology and manufacturing competitiveness strategies plan.	500,000	500,000

	1997-98	1998-99
8. **Industrial Recruitment Competitive Fund** The Industrial Recruitment Competitive Fund was established in 1993 with a nonrecurring appropriation of $5.0 million to provide financial assistance to those businesses or industries which are vital to a healthy and growing state economy, and for those which are making significant efforts to locate or expand in North Carolina. Since 1993, the nonrecurring funding has moved from $7.0 million in 1994 to $1.0 million in 1996. This recommendation will continue the nonrecurring funding level approved by the General Assembly for 1996-97.	$ 1,000,000	$ -
9. **Regional Economic Development Equity** An expansion of economic development efforts in rural North Carolina is integral to a balanced statewide economic development and investment strategy. Recurring funding is requested for activities to improve the overall competitiveness of rural areas. These activities will include: contracts, loans, or grants to support innovative job creation strategies in rural areas, identification and targeting of industries likely to locate or expand in rural areas, the engagement of regional universities in extension efforts for economic development, as well as the application of information technology.	300,000	300,000
10. **New and Emerging Industry Planning** Ongoing planning and program development is essential to effective economic development and recruitment of new and emerging technology industries. Recurring funding for contracts and operating and program support is requested in order to identify high growth and emerging technology industries for targeted recruitment, develop customized materials and technical support to attract and expand these industries, promote entreprenuership in high growth sectors, engage university research and technology to support these industries, and provide training and support to improve the technical capacity of state and local economic development organizations.	300,000	300,000

State Aid to Non-State Entities

GENERAL FUND

	FY 97-98		FY 98-99	
Recommended Continuation Budget	**$1,475,000**		**$1,475,000**	
Legislative Changes				
Grants-in-Aid				
101 Land Loss Prevention Project Eliminate recurring appropriation for the Land Loss Prevention Project and defer consideration to expansion.	($275,000)	R	($275,000)	R
102 Coalition of Farm and Rural Families Eliminate recurring appropriation to the Coalition of Farm and Rural Families and defer consideration to expansion.	($145,000)	R	($145,000)	R
103 Institute of Minority Economic Development Eliminate recurring appropriation and defer consideration to expansion.	($780,000)	R	($780,000)	R
104 North Carolina Minority Support Center Eliminate recurring appropriation and defer consideration to expansion.	($275,000)	R	($275,000)	R
105 Land Loss Prevention Project Funds to provide free legal representation to low-income, financially distressed farmers.	$300,000	NR		
106 Coalition of Farm and Rural Families Funds to foster economic development within the state's rural farm communities by offering marketing and technical assistance to small and limited resource farmers.	$250,000	NR		
107 Institute for Minority Economic Development Funds to foster economic development within the state through policy analysis, information and technical assistance, resource expansion, and support of community-based initiatives.	$830,000	NR		
108 North Carolina Minority Support Center Funds to provide technical assistance to community-based minority credit unions.	$375,000	NR		
109 Technological Development Authority Grant-in-aid to the N.C. Technological Development Authority, Inc. for entreprenurial support and infrastructure including creating new incubators, enhancing existing incubators, developing capital formation initiatives, supporting research commercialization programs and matching federal grant and loan funds.	$3,000,000	NR		

110 World Trade Center North Carolina

Grant-in-Aid to the World Trade Center North Carolina to support international trade education programs to small and medium sized businesses. $300,000 NR

111 Center for Community Self-Help

Provide funds to further a statewide program of lending for home ownership. $5,000,000 NR

112 Yadkin/Pee Dee Lakes Project

Funds to the Yadkin/Pee Dee Lakes Project, Inc. to promote tourism and economic development in the area. $100,000 NR

Total Legislative Changes	**($1,475,000)**	**R**	**($1,475,000)**	**R**
	$10,155,000	**NR**		
Position Changes				
Revised Budget	**$10,155,000**		**$0**	

NC Biotechnology Center

	GENERAL FUND		
	FY 97-98		FY 98-99
Recommended Continuation Budget	**$7,664,396**		**$7,664,396**
Legislative Changes			
NC Biotechnology Center			
113 Economic Development Investment Fund			
Nonrecurring funding increase for the N.C. Biotechnology Center's Economic Development Investment Fund. Funds provided are to be used for loans or equity investment to biotechnology companies and to biomedical and other bioscience related companies.	$7,500,000	NR	
Total Legislative Changes	**$7,500,000**	**NR**	
Position Changes			
Revised Budget	**$15,164,396**		**$7,664,396**

Rural Economic Development Center

GENERAL FUND

	FY 97-98		FY 98-99	
Recommended Continuation Budget	**$5,870,000**		**$5,870,000**	
Legislative Changes				
N.C. Association of CDCs				
114 N.C. Association of CDCs Eliminate recurring funding for the North Carolina Association of Community Development Corporations, Inc. and defer consideration to expansion.	($150,000)	R	($150,000)	R
115 N.C. Association of CDCs Funding for the North Carolina Association of Community Development Corporations, Inc. to provide training and technical assistance to community development corporations statewide.	$200,000	NR		
N.C. Community Development Initiative				
116 Additional Funds Additional funds for the North Carolina Community Development Initiaitve to support operating and program activity grants to mature community development corporations.	$200,000	R	$200,000	R
Rural Economic Development Center				
117 Supplemental Funding Program Additional funds to support the Supplemental Funding Program for economic development in rural communities.	$2,400,000	NR		
Total Legislative Changes	**$50,000** **$2,600,000**	R NR	**$50,000**	R
Position Changes				
Revised Budget	**$8,520,000**		**$5,920,000**	

Minutes

House Appropriations Sub-Committee on

Natural and Economic Resources

May 19, 1997 - 2:00 p.m.

The House Appropriations Sub-Committee on Natural and Economic Resources met on Monday, May 19, 1997 at 2:00 p.m. in Room 605 of the Legislative Office Building. Representative Frank Mitchell, House Co-Chair, called the meeting to order at 2:05 p.m. Members present were Representatives Mitchell, Carpenter, Baker, Owens, Culp, Fox, Tolson, Hall, Hunter, Weatherly and Wilkins.

Rep. Mitchell announced that the day's agenda would involve an overview of the continuation budget by Fiscal Research staff, Jennifer Herrera, Mark Trogdon, and Mona Moon (see attached handout). Staff began the overview of the continuation budget reductions which had been approved by the committee as well as expansion items recommended for the committee's consideration. After staff overview of the transfer of the Maritime Museum from the Dept. of Agriculture to the Dept. of Cultural Resources, Item 6, Rep. Mitchell announced that the Capital and Budget committee had approved $1.5 million for a land purchase for the museum in Beaufort. Staff continued with an overview of the Dept. of Labor.

Staff then began an overview of the reductions in the Dept. of Environment, Health, and Natural Resources. After staff overview of Item 17, funds for the amphibious water scooping tanker, Rep. Mitchell announced that Capital and Budget had approved the purchase of one plane, and that a special provision was being established for operating expenses and maintenance. Rep. Wilkins asked if these funds were the same as the non-recurring money for increased fire-fighting support which the committee had looked at and staff explained that this was in place of those funds. Item 18 for fire control in District 12 was also commented on by the Chair, who explained that this funding was for the entire District, not just 2 counties as had previously been thought. Item 26, additional funds for the Marine Fisheries Commission, was also commented on by the Chair, who explained that these funds were contingent upon the passage of House Bill 1097, which recommended the increased funding as well as an increase in positions on the Marine Fisheries Commission. Item 28, additional funding for the Museum of Natural Sciences, was questioned by Rep. Wilkins as to whether the $2.5 million allocated in the Senate budget had been moved to Capital and Budget or whether it had been eliminated. The Chair informed him that it had been eliminated. Staff continued with the overview.

Staff then explained the reductions for the Dept. of Commerce. Rep. Culp questioned where the $100,000 of non-recurring funding for the Rural Tourism

Development Grants program was used, and Staff explained it was an open grant process available in rural areas for local government and non-profit organizations to promote tourism in their areas. Rep. Mitchell commented that there was a limit on the grant size which each area could apply for and staff confirmed this. Staff then concluded their explanation of the reductions in the continuation budget.

Rep. Culp then inquired where Senior Citizen Centers were in the budget and was informed that this was in the Dept. of Human Resources. Further questions were called for and Rep. Fox inquired as to how much the Senate had reduced Item 97 by and was informed that it was $7.5 million, but that the House had restored some $2 million of that money to the historically minority institutions. Rep. Owens inquired about Item 9 in the Department of Labor budget regarding increasing receipts due to increasing frequency of inspections, but the Committee resolved to continue with general discussion and vote on specific issues on the following day after the full amount of money available was known. Rep. Wilkins inquired about Item 71, the reduction of the Utilities Fund account and its effect on Tier 1 counties. Rep. Baker commented that the committee hoped to shift some more money in the Community Development Block Grant into economic development which could be used for these purposes. Rep. Weatherly then inquired about the purchase of an airplane and helicopter in the Commerce department, and was informed that this equipment would be leased and so would stay in the committee for consideration. Rep. Owens then followed up on Rep. Baker's comments and suggested that switching the money in the Community Development Block Grant would not fully address the problem because it was not specifically targeted for Tier 1 counties and any county could qualify for the Grant. He further commented that these poorer counties needed essentials like water and sewer. Rep. Mitchell commented that some of those counties were in the Neuse River Basin area and would be eligible for the Clean Water Trust Fund. Rep. Culp then confirmed that the funding for the COGs had been restored. Rep. Owens expressed concern at the repeated cuts in the Regional Economic Development Commission and suggested that the committee consider some restoration of funding to this entity. Rep. Owens also asked about the action of the committee on certain non-recurring items listed on page 18 and whether any of these had been made recurring. The Chair confirmed that Item 90 and 96 had been and funding had been increased slightly from the Senate's suggestion. Rep. Weatherly inquired about Item 100 and whether this would be a line item when the budget was reviewed. Staff confirmed that this item would show up in the Dept. of Commerce's budget under State Aid and that there would be an opportunity for the committee to review this. Rep. Hall then spoke on HB 1147 which had been introduced to fund a regional coordinator position for Soil and Water District 3, due to the fact that it was the only District without a full-time coordinator. Mr. Dewey Botts, Director of the Soil and Water Conservation Division, was asked to explain this matter, and clarified that this was the only district without a coordinator and that four other regional coordinators helped to cover this district. Rep. Mitchell announced that this would be considered on the following day. He also commented that Rep. Hall's request for funding for a Textile Museum would be considered but that explanation as to whether this was capital or a grant in aid project would need to be clarified.

Staff then presented a vacancy list from the Department of Environment, Health, and Natural Resources which the committee had previously requested (see attached list). Rep. Hall asked for clarification as to positions which had been vacant for some time, and if these were still being funding. Staff confirmed that these were still be funded. Staff further explained that some of the positions were not full time employees, but were partial positions. Rep. Owens also pointed out some positions that had been vacant for some time and suggested that some of these could be eliminated. Dianne Parrish from Forestry was asked to explain about one particular position in Macon County which had been vacant since 1988 but asked for more time to further investigate this. Rep. Hall asked if additional funding could be gained if these empty positions were eliminated. The Chair indicated that this money could go to other departments and would not necessarily stay within the department.

As there was no further discussion, Rep. Mitchell announced that the committee would meet the following morning, May 20, 1997 at 8:30 a.m. in Room 605 of the Legislative Office Building and then adjourned the meeting at 2:50.

Respectfully submitted,

W. F. Mitchell

Rep. Frank Mitchell
House Co-Chair

Kara McCraw

Kara McCraw
Committee Clerk

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Natural and Economic Resources 5-19-97

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
J W Reel	OSBM
Sheeri Vetieri	OSBM
Johnny Gray	OSBM
David Simmons	Zebulon, PA
John Sheats	DEHNR / LAB DIVISION
Linda Sewell	DEHNR/DEH
Jennifer Green	Prevent Blindness
BOB HAVELY	PREVENT BLINDNESS
S S Stevens	DENR
Cathey Cottle	DEHNR
Harlan Britt	"
Bruce LATTIMORE	NC INDUSTRIAL COMMISSION
CLAY PLOSICA	NC ACTS
Ed Norman	NC DEHNR
Richard Shaw	NC DEHNR Coastal Management
Angie Harris	Commerce
Kevin Webb	Commerce
Stewart Dickenson	Commerce Finance
Jeff Parsons	Everett, Gaskins, Hancock & Stevens
M. Travis Porter	Porter and Steel PLCC
Adam Searing	NC Health Access Coal.
Patricia A. Yancey	LLPP / APP/CNC
[illegible]	NCFB
Sue Dewlin	DENR - HEALTH
Katie Early	NC REAL Enterprises
Anita McNeil	EHNR BPA
[illegible]	DOL
Becky Brown	DOL

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Natural and Economic Resources 5-19-97

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Phil Wilson	Commerce
Linda Gunn	REDC
Edgonia Alexander	CDCT
[illegible]	TAT
[illegible]	TAT
Julian Brown	NCDMA
Doug [illegible]	NCDOC
Jan Stanton	NCDOC
Mary Keene	DCHNR
Jane Smith	DEHNR
Diane Cherry	DEHNR
Linda Rimer	DEHNR
[illegible]	DEHNR

DRAFT 5/19/97

House Subcommittee on Natural and Economic Resources

Housing Finance Agency

	GENERAL FUND		
	FY 97-98		FY 98-99
Recommended Continuation Budget	**$2,300,000**		**$2,300,000**
Legislative Changes			
Housing Finance Agency			
1 Housing Trust Fund			
Support for the Housing Trust Fund.	$5,000,000	NR	
Total Legislative Changes	**$5,000,000**	**NR**	
Total Position Changes			
Revised Budget	**$7,300,000**		**$2,300,000**

Agriculture

	GENERAL FUND			
	FY 97-98		FY 98-99	
Recommended Continuation Budget	**$49,480,730**		**$49,688,983**	

Legislative Changes

Agricultural Finance Authority

2 Reduce General Fund Appropriation ($25,000) R ($50,000) R

Reduce the General Fund appropriation to the Authority by utilizing the interest income earned by the Farm Reserve Loan Fund for the Authority's operating expenses.

Agronomic Services

3 Agronomic Advisory Services $314,767 R $445,117 R

Funds to increase waste disposal and water management services provided by the Agronomics Division to meet the demand for increased technical assistance from regional agronomists and section chiefs.

$217,151 NR
7.00 8.00

Food and Drug Protection

4 Environmental Protection in Pesticide Applications $179,039 R $179,039

Funds to increase compliance assistance to pesticide applicators and farmers.

$23,100 NR
3.00 3.00

5 Food Related Facilities Funds $113,994 R $113,994 R

Funds to continue support for inspection of food processing facilities, food storage warehouses, retail stores, and medicated livestock-feed manufacturing facilities.

4.00 4.00

Maritime Museum

6 Transfer Maritime Museum to Cultural Resources ($792,227) R ($786,713) R

Transfer positions, operating support, equipment, property, and other assets of the North Carolina Maritime Museum to the Department of Cultural Resources.

-17.25 -17.25

	FY 1997-98	FY 1998-99
Requirements	$ 792,527	$ 787,013
Receipts	($ 300)	($ 300)
Appropriation	$ 792,227	$ 786,713

Plant Industry - Plant Protection

7 Bee Regulatory Support $170,212 R $170,212 R

Funds for expanded regulatory support to protect the North Carolina bee and honey industry from parasitic mites, bee disorders and the Africanized bee.

$45,894 NR
2.00 2.00

Total Legislative Changes	**($39,215)**	**R**	**$71,649**	**R**
	$286,145	**NR**		
Total Position Changes	-1.25		-0.25	
Revised Budget	**$49,727,660**		**$49,760,632**	

Labor

	GENERAL FUND	
	FY 97-98	FY 98-99
Recommended Continuation Budget	**$16,068,855**	**$15,986,184**

Legislative Changes

Boiler and Pressure Vessel Bureau

8 Expand Inspection Staff with Receipt Support

Adds four boiler and pressure vessel inspection staff to conduct safety inspections in accordance with inspection intervals set by the Commissioner. Funding support will be provided with increased receipts generated by inspections conducted with these additional positions.

	FY 1997-98	FY 1998-99
Requirements	$ 211,316	$ 196,316
Receipts	(211,316)	(196,316)
Appropriation	0	0

Elevator and Amusement Device Bureau

9 Expand Inspection Staff with Receipt Support

Adds four elevator inspection staff and one administrative support position to conduct safety inspections -- at six month intervals -- of all elevators in the state. Funding support will be provided with increased receipts generated by these positions assisting in the increased frequency of elevator inspections from an average of every 10 months to every 6 months.

	FY 1997-98	FY 1998-99
Requirements	$ 248,061	$ 228,361
Receipts	(248,061)	(228,361)
Appropriation	0	0

Information Office

10 1-800-LABOR-NC Operating Support	$34,825	R	$34,825	R
Provides an additional position and operating support to answer incoming calls on the Department's toll-free telephone number.	$6,000	NR		
	1.00		1.00	

OSHNC Division

11 Transfer Enforcement Positions to Federal Support	($192,546)	R	($192,546)	R
Shifts six OSH Enforcement positions (3 full-time equivalents) and operating support from 100% state funding to 50% federal and 50% state funded support.	-3.00		-3.00	

Total Legislative Changes	**($157,721)**	**R**	**($157,721)**	**R**
	$6,000	**NR**		
Total Position Changes	-2.00		-2.00	
Revised Budget	**$15,917,134**		**$15,828,463**	

GENERAL FUND

	FY 97-98		FY 98-99	
Recommended Continuation Budget	**$253,269,888**		**$252,502,338**	
Legislative Changes				
(2.00) Environmental Education				
12 Environmental Education Grant Fund	$200,000	R	$200,000	R
Funds to provide grants to schools, community organizations and environmental education centers to develop environmental education libraries and to promote environmental education activities.				
(2.00) Forest Resources				
13 Reduce equipment	($200,000)	R	($200,000)	R
Reduce communications equipment budget.				
14 Defer Equipment Replacement	($500,000)	R	($500,000)	R
Defer replacement of certain property, plant and equipment items in forestry field operations.				
15 Increase Receipts	($120,000)	R	($120,000)	R
Increase receipts collected from counties. Counties share in the cost of forestry operations with a match based on the tax base of the county.				
16 Assistant County Ranger	$19,028	R	$19,028	R
Funds for an Assistant County Ranger in Randolph County.	$21,900	NR		
	1.00		1.00	
17 Operation of Amphibious Water Scooping Tanker	$706,950	R	$706,950	R
	$81,750	NR		
Operating funds for personnel, equipment, maintenance, and parts associated with the purchase of an amphibious water scooping tanker aircraft for fire control statewide.	4.00		4.00	
18 District 12 Helicopter Funds				
Funds to cover the costs associated with preparing a federal surplus helicopter for fire control in District 12.	$282,560	NR		
19 Equipment Funds				
Increase equipment funds for FY 1997-98.	$500,000	NR		
20 Communications Equipment				
Increase communications budget for FY 1997-98.	$200,000	NR		

21 Rural Community Fire Protection Program Funds to provide both fire training and assistance with the purchase/loan of fire equipment and supplies for rural fire departments.	$100,000 1.00	R	$100,000 1.00	R
22 Museum of Forestry Grant-in-aid to Columbus County for planning and developing a Museum of Forestry.	$250,000	NR		
(2.00) Marine Fisheries				
23 Moratorium Steering Committee Eliminate funding for the Fisheries Moratorium Steering Committee, which submitted its final report to the Joint Legislative Commission on Seafood and Aquaculture in October 1996.	($25,000)	R	($25,000)	R
24 Reduce Marine Fisheries Patrol Equipment Reduce equipment budget to reflect reduced equipment needs associated with the Marine Fisheries law enforcement expansion request funded in 1995, in accordance with the five year fiscal estimate submitted by the division.	($187,321)	R	($187,321)	R
25 Operating Reserve for Patrol Vessel Fund vessel operating reserve for the 1998-99 fiscal year. The reserve is for a patrol vessel funded with a 1996-97 capital improvement appropriation and was omitted from the continuation budget by error.			$97,436	R
26 Marine Fisheries Commission Funds to establish standing advisory committees and permanent staff for the Marine Fisheries Commission. Funds contingent upon passage of HB 1097.	$247,563 $17,000 2.00	R NR	$247,563 2.00	R
27 Information Technology and Data Management Funds Funds to establish advanced computer based technologies to modernize and consolidate existing computerized information management, and expand computer based data management and analysis capabilities.	$155,000 $500,000 2.00	R NR	$155,000 2.00	R
(2.00) Museum of Natural Science				
28 Grassroots Science Museums Funds to add two new museums to the Grassroots Science Program: Museum of Coastal Carolina Iredell County Children's Museum	$100,000	R	$100,000	R
(2.00) Parks and Recreation				
29 Environmental Education Learning Experiences Funds to provide supplies and materials for Environmental Education Learning Experiences (EELE) programs at state parks.	$30,000	NR		

(2.00) Soil and Water Conservation

30 Agriculture Cost Share for Animal Waste Management

Additional funds for the Agriculture Cost Share Program for Nonpoint Source Pollution Control to assist existing farming operations in obtaining approved animal waste management plans.

$2,000,000 NR

31 Agriculture Cost Share County Technical Assistance

Additional funds to reimburse counties up to 50% of the costs of providing technical assistance in the planning, design and installation of agricultural BMPs to improve water quality.

$300,000 NR

32 Soil and Water District Travel Funds

Funds for local Soil and Water Conservation Districts for travel and per diem expenses of district supervisors.

$150,000 NR

(3.00) Air Quality

33 Increase Receipts ($200,000) R ($200,000) R

Increase the budgeted amount of program receipts and reduce the General Fund appropriation by an equal amount.

(3.00) Land Resources

34 Dam Safety Inspection and Assistance $255,336 R $255,336

$19,000 NR

Funds to establish additional positions to increase the number of dam inspections and to provide technical assistance to owners in the areas of design and construction planning, maintenance, repairs, and emergency action plans.

5.00 5.00

(3.00) Water Quality

35 Wastewater Treatment System Operator Training

Funds to provide training, certification and continuing education courses for wastewater treatment system operators for one year.

$474,795 NR

5.00

36 Basinwide Data Management System Development $260,846 R $375,153 R

Funds for a program delivery initiative to focus on consolidating all existing databases and facilitating access to environmental programs and data. Support staff and equipment needed to maintain the system will be phased in.

1.00 3.00

(4.00) Environmental Health

37 Assistance to Local On-Site Wastewater Programs $226,212 R $226,212 R

$23,800 NR

Funds to provide additional training, technical assistance and regulatory oversight to local programs in the areas of plan review, septic tank design, manufacture, installation and performance.

4.00 4.00

38 Support for Local Environmental Health Programs Funds to provide training, continuing education and technical assistance to local environmental health specialists performing food, lodging and institution inspections, and other regulatory activities to ensure the sanitation and safety of swimming pools, spas and tatoo artists.	$236,935 $13,075 4.00	R NR	$236,935 4.00	R
39 Food Sanitation Training Funds Funds to provide training and continuing education to persons who conduct food and lodging inspections for county health departments.	$100,000	NR		
40 Childhood Lead Exposure Control Funds to expand the state's Childhood Lead Poisoning Prevention Program to emphasize compliance with maintenance standards to minimize lead hazards. Funds contingent upon passage of SB 806.	$210,879 $26,200 3.00	R NR	$210,879 3.00	R
(4.00) Epidemiology				
41 Alcohol Chemical Testing Certification Program Reduce General Fund support for the alcohol chemical testing training and certification program to more accurately reflect actual expenditures.	($200,000)	R	($200,000)	R
42 Rabies Detection and Prevention Program Funds to provide additional professional consultation and education services to help prevent the spread of rabies.	$50,000 1.00	R	$50,000 1.00	R
(4.00) Health Promotion				
43 Heart Disease & Stroke Prevention Awareness Funds to develop and maintain a database of existing cardiovascular disease related services and to conduct a statewide media campaign to raise awareness about cardiovascular disease, as recommended by the Heart Disease and Stroke Prevention Task Force established in 1995.	$170,500 $29,500	R NR	$170,500	R
44 Cancer Control Plan Implementation Funds Funds to begin implementation of the North Carolina Cancer Control Plan prepared by the Advisory Committee on Cancer Coordination and Control.	$250,000 $100,000	R NR	$250,000	R
45 State Games of North Carolina Funds for the Governor's Council on Physical Fitness to support the State Games.	$150,000	NR		
(4.00) Laboratory Services				
46 Rabies Laboratory Analysis Funds Funds for additional personnel, supplies and equipment to enhance rabies testing performed by the State public health lab.	$79,630 $29,150 2.00	R NR	$79,630 2.00	R

(4.00) Maternal and Child Health

47 Maternal Outreach Worker Program Funds to expand the maternal outreach worker program by providing funding for 22 additional home visitors employed by local service providers.	$600,000 1.00	R	$600,000 1.00	R
48 Children's Vision Screening Program Funds to support a statewide training and certification program for school-based vision screeners. The department will contract with Prevent Blindness, Inc. to implement the program.	$200,000	NR		
49 Cochlear Implants Funds for grant to UNC Board of Governors for the Carolina Communicative Disorders Program at the School of Medicine at UNC-Chapel Hill to provide cochlear implants and other communication devices for hearing impaired children.	$230,000	NR		
50 UNC Craniofacial Center Funds for grant to UNC Board of Governors for the UNC Craniofacial Center at the School of Dentistry at UNC-Chapel Hill to provide diagnostic and treatment services for children with craniofacial anomalies.	$343,000	NR		
51 Non-Medicaid Maternity Care Coordination Funds to provide case management services to women who do not meet Medicaid eligibility requirements. This item restores a reduction taken in 1996.	$170,900	R	$170,900	R

(5.00) Reserves and Special Funds

52 Water Conservation and Infrastructure District Nonrecurring funds appropriated for the District by the 1995 General Assembly were not eliminated from the 1997-99 continuation budget in error.	($500,000)	R	($500,000)	R
53 National Committee for the New River, Inc. Grant-in-aid to the National Committee for the New River, Inc. for riparian easement acquisition.	$70,000	NR		
54 State Parks Cleanup Reserve Reserve for cleanup and repairs at state parks associated with 1996 hurricane and ice storm damage.	$1,500,000	NR		
55 Maintenance of Existing Water Quality Programs Reserve to maintain the existing level of staff in the Water Quality Section to continue water quality programs and activities at the current level of service for one year.	$1,000,000	NR		
56 Healthy Start Foundation Funds to provide statewide planning, promotion, and coordination for the First Step Campaign and to support other programs and activities aimed at reducing infant mortality.	$650,000	NR		

57 Core Sound Use Mapping

Funds to develop a human use map and user coordination plan for Core Sound.	$100,000	NR	

(6.00) Department Wide

58 Salary/Span of Control/ Operating Reductions ($2,378,201) R ($2,378,201) R

Represents the Department's allocated share of this overall reduction:

Office of Controller	
Salary and fringes for 1.00 FTE	$27,541
General Services Office	
Salary and fringes for 1.00 FTE	$25,561
Information Technology Services	
Salary and fringes for 1.00 FTE	$39,669
Personnel/Human Resources	
Salary and fringes for 1.00 FTE	$47,026
Public Health Communication	
Salary and fringes for 1.00 FTE	$45,380
Local Health Services	
Salary and fringes for 1.00 FTE	$31,602
Environmental Health	
Salary and fringes for 1.00 FTE	$24,286
Dental Health	
Salary and fringes for 1.00 FTE	$97,175
State Center for Health Statistics	
Salary and fringes for 1.00 FTE	$26,682
Maternal and Child Health	
Salary and fringes for 7.00 FTEs	$364,633
Cystic Fibosis Purchase of Care funds	$148,699
Health Promotion	
Salary and fringes for 3.00 FTEs	$138,092
Marine Fisheries	
Salary Reserve	$13,861
Oyster Rehabilitation operating funds	$133,655
Soil and Water Conservation	
Equipment, supplies & travel funds	$56,875
Forest Resources	
Communications Equipment	$140,000
Office of Environmental Education	
Project Tomorrow grants and contracts	$25,000

Aquariums	
Supplies and materials	$41,777
Museum of Natural Science	
Temporary Wages	$50,000
Parks and Recreation	
Increase receipts	$140,000
North Carolina Zoo	
Salary and fringes for 3.55 FTEs	$85,000
Air Quality	
Salary and fringes for 1.00 FTE	$19,105
Water Quality	
Salary and fringes for 3.00 FTEs	$105,995
Salary Reserve	$69,625
Wetlands Restoration operating funds	$14,449
Coastal Management	
Salary and fringes for 1.00 FTE	$25,068
Land Resources	
Salary and fringes for 1.00 FTE	$43,279
Operating support	$12,124
Water Resources	
Salary and fringes for 1.00 FTE	$29,971
Pollution Prevention & Environmental Assistance	
Salary and fringes for 1.00 FTE	$19,800
Operating support	$ 2,332
Radiation Protection	
Eliminate receipt supported Deputy Division Director position, and shift portion of funding for Division Director position from General Funds to receipts.	$80,900
Contracts	$25,094
Waste Management	
Salary and fringes for 1.00 FTE	$58,566
Operating support	$12,996
TO BE DETERMINED	$156,383
Substitute reduction for Forest Resources positions to be provided by Department in non-Forestry, supervisory positions.	

Total Legislative Changes	**($270,743)**	**R**	**($59,000)**	**R**
	$9,391,730	**NR**		
Total Position Changes	36.00		33.00	
Revised Budget	**$262,390,875**		**$252,443,338**	

Commerce

	GENERAL FUND			
	FY 97-98		FY 98-99	
Recommended Continuation Budget	**$37,221,648**		**$37,240,885**	
Legislative Changes				
Administrative Services				
59 Budget Indirect Cost Receipts Increase the budgeted amount of indirect costs receipts and reduce General Fund appropriation by an equal amount.	($52,000)	R	($52,000)	R
Business and Industry Division				
60 Fund Industrial Recruitment Competitive Fund Provides nonrecurring funding support for the Industrial Recruitment Competitive Fund.	$1,000,000	NR		
61 Regional Office Staff Support Provides an administrative support position for the Piedmont Triad Regional Office. The effective date of the position is September 1, 1997.	$22,100 $5,900 1.00	R NR	$26,000 1.00	R
62 Marketing Missions and Trade Shows Increases funding support for the Division's participation at industry trade shows and for conducting national marketing missions.	$80,000	R	$80,000	
Department Wide				
63 Salary Reductions/Span of Control Represents the Department's allocated share of this overall reduction:	($672,485) -17.00	R	($672,485) -17.00	R

Administrative Services
Salary and fringes for 1.00 FTE $99,038

Economic Development Program
Salary and fringes for 2.00 FTEs $71,904

Business and Industry Division
Salary and fringes for 1.00 FTE $76,023

International Trade Division
Salary and fringes for 2.00 FTEs $77,862

Division of Energy
Salary and fringes for 1.00 FTE $42,029

Division of Community Assistance
Salary and fringes for 1.00 FTE $54,264

Division of Travel and Tourism
Salary and fringes for 1.00 FTE $24,065

Industrial Commission
Salary and fringes for 8.00 FTEs $227,300

TOTAL REDUCTIONS $672,485

Economic Development Program

64 Reduce Support for Data Processing & Subscriptions ($29,000) R ($29,000) R
Reduce funding support for data processing services, subscriptions, and membership dues.

Executive Aircraft

65 Reduce Repair Funds ($188,000) R ($188,000) R
Reduce funding support for aircraft repair.

Film Office

66 Reduce Travel ($25,000) R ($25,000) R
Reduce budget for board and nonemployee transportation.

Global TransPark Marketing

67 Reduce Support for Global TransPark Marketing ($150,000) R ($150,000) R
Reduce General Fund transfer from the Department of Commerce to the Global TransPark Authority in the Department of Transportation for marketing the Global TransPark.

Industrial Commission

68 Budget Hearing Cost Receipts ($202,000) R ($202,000) R
Increase the budgeted amount of the Commission's Hearing Cost receipts and reduce General Fund appropriations by an equal amount.

69 Case Management System $638,571 R $638,571 R
Provides funds for operating and maintenance costs, staff support to maintain hardware and software, and to develop system applications. $17,700 NR
3.00 3.00

70 Temporary Positions
Provides nonrecurring funds to support temporary positions to assist with the Commission's backlog of claims, hearings, and appeals. $100,000 NR

Industrial Finance Center

71 Fund Utility Account (Industrial Development Fund)
Provides nonrecurring funding support for economic development related water and sewer infrastructure projects in tier one enterprise counties. $500,000 NR

72 Increase Operating Support	$50,000	R	$50,000
Provides additional operating support for the Industrial Finance Center.	$20,000	NR	
International Trade			
73 Foreign Trade Shows	$200,000	R	$200,000 R
Increase recurring funding for trade shows and missions to expose small and medium sized companies to the international marketplace.			
74 Global Offices	$300,000	R	$300,000 R
Funds to contract with representatives to expand the division's foreign offices into 4 new and emerging markets in and around South Africa, the United Kingdom, South America, and the Middle East.			
75 International Trade Specialists	$180,736	R	$196,044 R
Increase the number of international trade specialists to enhance the state's marketability to potential customers in "Big Emerging Markets" (BEM). The effective date of these positions is September 1, 1997.	$12,000 2.00	NR	2.00
NC Alliance for Competitive Technologies			
76 Recurring Funding Support to Continue Operations	$375,000	R	$375,000 R
Provides recurring state funding support to replace three-year federal grant and matching nonrecurring state funding support that will expire at the end of fiscal year 1996-97. Funding will allow the North Carolina Alliance for Competitive Technologies to continue operation as a state agency.	3.00		3.00
Reserves and Transfers			
77 Reduce Support for the Regional Commissions	($405,000)	R	($405,000) R
Reduces grant-in-aid support for the seven Regional Economic Development Commissions from $4.68 million to $4.275 million.			
78 Special Olympics 1999 World Summer Games			
Nonrecurring funds to support the Special Olympics 1999 World Summer Games.	$500,000	NR	
Travel and Tourism			
79 Budget Additional Receipts	($12,000)	R	($12,000) R
Increase the amount of budgeted receipts and reduce General Fund appropriation by an equal amount.			
80 Advertising Funds			
Expand current promotional advertising funds and associated expenses to promote North Carolina as a travel destination.	$1,000,000	NR	
81 International Marketing			
Funds to continue and expand the promotion of North Carolina as a travel destination in the international arena.	$1,000,000	NR	

82 1-800-VISIT-NC

Additional funds for the tourism hotline operated at Women's Prison.	$250,000	NR		

83 Rural Tourism Development Funds

Funds to support the Rural Tourism Development Grants program.	$100,000	NR		

Total Legislative Changes	**$110,922**	**R**	**$130,130**	**R**
	$4,505,600	**NR**		
Total Position Changes	-8.00		-8.00	
Revised Budget	**$41,838,170**		**$37,371,015**	

State Aid to Non-State Entities

	GENERAL FUND			
	FY 97-98		FY 98-99	
Recommended Continuation Budget	**$1,475,000**		**$1,475,000**	
Legislative Changes				
Grants-in-Aid				
84 Land Loss Prevention Project	($275,000)	R	($275,000)	R
Eliminate recurring appropriation for the Land Loss Prevention Project and defer consideration to expansion.				
85 Coalition of Farm and Rural Families	($145,000)	R	($145,000)	R
Eliminate recurring appropriation to the Coalition of Farm and Rural Families and defer consideration to expansion.				
86 Institute of Minority Economic Development	($780,000)	R	($780,000)	R
Eliminate recurring appropriation and defer consideration to expansion.				
87 North Carolina Minority Support Center	($275,000)	R	($275,000)	R
Eliminate recurring appropriation and defer consideration to expansion.				
88 Land Loss Prevention Project	$300,000	NR		
Funds to provide free legal representation to low-income, financially distressed farmers.				
89 Coalition of Farm and Rural Families	$250,000	NR		
Funds to foster economic development within the state's rural farm communities by offering marketing and technical assistance to small and limited resource farmers.				
90 Institute for Minority Economic Development	$800,000	R	$800,000	R
Funds to foster economic development within the state through policy analysis, information and technical assistance, resource expansion, and support of community-based initiatives.				
91 North Carolina Minority Support Center	$375,000	NR		
Funds to provide technical assistance to community-based minority credit unions.				
92 Technological Development Authority	$3,000,000	NR		
Grant-in-aid to the N.C. Technological Development Authority, Inc. for entrepreneurial support and infrastructure including creating new incubators, enhancing existing incubators, developing capital formation initiatives, supporting research commercialization programs and matching federal grant and loan funds.				

93 World Trade Center North Carolina				
Grant-in-Aid to the World Trade Center North Carolina to support international trade education programs to small and medium sized businesses.	$300,000	NR		
94 Center for Community Self-Help				
Provide funds to further a statewide program of lending for home ownership.	$3,000,000	NR		
95 Transfer N.C. Community Development Initiative	$1,800,000	R	$1,800,000	R
Transfer funding for the North Carolina Community Development Initiative, Inc. from the Rural Economic Development Center to the Department of Commerce.				
96 N.C. Community Development Initiatve	$200,000	R	$200,000	R
Additional funds for the North Carolina Community Development Initiative to support operating and program activity grants to mature community development corporations.				
Total Legislative Changes	**$1,325,000**	**R**	**$1,325,000**	**R**
	$7,225,000	**NR**		
Total Position Changes				
Revised Budget	**$10,025,000**		**$2,800,000**	

NC Biotechnology Center

	GENERAL FUND		
	FY 97-98		FY 98-99
Recommended Continuation Budget	**$7,664,396**		**$7,664,396**
Legislative Changes			
NC Biotechnology Center			
97 Economic Development Investment Fund			
Nonrecurring funding increase for the N.C. Biotechnology Center's Economic Development Investment Fund. Funds provided are to be used for loans or equity investment to biotechnology companies and to biomedical and other bioscience related companies.	$1,000,000	NR	
98 Historically Minority Universities			
Additional nonrecurring funding to support biotechnology programs at the State's six Historically Minority Universities (Elizabeth City State University, Fayetteville State University, NC A&T State University, NC Central University, University-Pembroke, and University-Salem State University).	$1,000,000	NR	
Total Legislative Changes	**$2,000,000**	**NR**	
Total Position Changes			
Revised Budget	**$9,664,396**		**$7,664,396**

Rural Economic Development Center

	GENERAL FUND			
	FY 97-98		FY 98-99	
Recommended Continuation Budget	**$5,870,000**		**$5,870,000**	
Legislative Changes				
N.C. Association of CDCs				
99 N.C. Association of CDCs				
Additional funding for the North Carolina Association of Community Development Corporations, Inc. to provide training and technical assistance to community development corporations statewide.	$50,000	NR		
N.C. Community Development Initiative				
100 Transfer N.C. Community Development Initiative	($1,800,000)	R	($1,800,000)	R
Transfer funding for the North Carolina Community Development Initiative, Inc. from the Rural Economic Development Center to the Department of Commerce.				
Rural Economic Development Center				
101 Supplemental Funding Program				
Additional funds to support the Supplemental Funding Program for economic development in rural communities.	$2,650,000	NR		
Total Legislative Changes	**($1,800,000)**	R	**($1,800,000)**	R
	$2,700,000	NR		
Total Position Changes				
Revised Budget	**$6,770,000**		**$4,070,000**	

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES - VACANCY REPORT AS OF MAY 7, 1997

Account	Center	Classification	P.G.	Budgeted Salary	Funding Source	FTE	Date Vacated	Supervisor (Y/N) (YES/NO)	County	SPAN CUT (Y/N)	LWOP (Y/N))	Explanation
ADMINISTRATION												
EXECUTIVE OFFICES												
1211	141041010097	PUBLIC HEALTH PROG MGR II	76	$43,897	G	1.00	07/31/96	Y	WAKE			USING FOR WORK-AGAINST FOR DHR TRANS.
1211	141041010097	OFFICE ASSISTANT IV	59	$21,041	G	1.00	03/31/97	N	WAKE			INTERVIEWING
1211	11101118	COMMUNITY DEVEL SPCLIST I	70	$32,127	G	1.00	04/18/97	N	WAKE			OFFER MADE
1211	141041150097	HUMAN SERV PLANNER/EVAL I	68	$30,573	G	1.00	05/15/97	N	WAKE			PENDING APROVAL TO ADVERTISE WHEN VACANT
		Total Appropriation-Supported		**$127,638**		**4.00**						
PERSONNEL												
1211	11401402	ADMIN SECRETARY II	60	$20,733	G	1.00	05/01/97	N	WAKE			INTERVIEWING
		Total Appropriation-Supported		**$20,733**		**1.00**						
CONTROLLER'S OFFICE												
1211	11401422	ADMINISTRATIVE ASST I	63	$5,066	G	0.23	03/01/94	N	WAKE			INTERVIEWING
1211	11401422	ACCOUNTING CLERK IV	59	$18,763	G	1.00	03/22/96	N	WAKE		Y	RECRUITING
1211	11401422	DATA ENTRY OPERATOR II	57	$17,378	G	1.00	04/01/96	N	WAKE			INTERVIEWING
1211	11401422	SYSTEMS ACCOUNTANT I	75	$1,969	G	0.05	10/29/96	Y	WAKE			FILLED
1211	11401422	CLERK-TYPIST	59	$19,129	G	1.00	12/11/96	N	WAKE		Y	
1211	11401423	ACCOUNTING CLERK IV	59	$21,780	G	1.00	02/17/97	N	WAKE	Y		
1211	11401423	ADMINISTRATIVE OFFICER II	70	$35,602	G	1.00	05/31/97	Y	WAKE			NOT VACANT-EMPLOYEE WITHDREW RETIREMENT
		Total Appropriation-Supported		**$119,687**		**5.28**						
GENERAL SERVICES												
1211	11401412	PRINTING EQUIP OPERATOR II	57	$20,109	G	1.00	02/08/97	N	WAKE	Y		
1211	11401412	ADMINISTRATIVE OFFICER II	70	$34,273	G	1.00	03/16/97	N	WAKE			EXTENDED FINANCIAL FUNCTION IMPLEMENTATION
		Total Appropriation-Supported		**$54,382**		**2.00**						

G=General Fund, F=Federal, R=Receipts, H=Highway

		DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES - VACANCY REPORT AS OF MAY 7, 1997										
Account	Center	Classification	P.G.	Budgeted Salary	Funding Source	FTE	Date Vacated	Supervisor (Y/N) (YES/NO)	County	SPAN CUT (Y/N)	LWOP (Y/N))	Explanation
INFORMATION SYSTEMS												
1211	11401432	APPL ANALYST PROG SPECLST.	80T	$8,822	G	0.19	10/31/95	Y	WAKE			INTERVIEWING
1211	11401432	DATA BASE ADMINISTRATOR	81	$59,000	G	1.00	08/26/96	N	WAKE			OFFER MADE
1211	11401432	PROCESSING ASSISTANT III	57	$3,123	G	0.18	11/01/96	N	WAKE			OFFER MADE
1211	11401432	COMPUTING CONSULTANT	72	$42,845	G	1.00	04/01/97	N	WAKE	Y		
		Total Appropriation-Supported		**$113,790**		**2.37**						
REGIONAL OFFICES												
1211	11301304	OFFICE ASSISTANT III	57	$18,744	G	1.00	03/20/97	N	IREDELL			FILLED
1211	11301308	OFFICE ASSISTANT III	57	$18,242	G	1.00	04/06/97	N	BEAUFORT			INTERVIEWING
1211	11301306	OFFICE ASSISTANT III	57	$18,242	G	1.00	04/23/97	N	FORSYTH		Y	
1211	11301304	OFFICE ASSISTANT III	57	$17,717	G	1.00	05/04/97	N	IREDELL			RECRUITING
		Total Appropriation-Supported		**$72,945**		**4.00**						
1212	11301315	OFFICE ASSISTANT III	57	$11,566	F	0.67	08/01/96	N	CUMBERLAND			
1212	11301316	COMPUTING CONSULTANT III	72	$35,064	R	1.00	04/14/97	N	NEW HANOVER			FILLED
		Total Receipt - Supported		**$46,630**		**1.67**						

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES - VACANCY REPORT AS OF MAY 7, 1997

Account	Center	Classification	P.G.	Budgeted Salary	Funding Source	FTE	Date Vacated	Supervisor (Y/N) (YES/NO)	County	SPAN CUT (Y/N)	LWOP (Y/N))	Explanation
NATURAL RESOURCES												
FOREST RESOURCES												
1211	1260-2607	FORESTRY TECH IV	66	$30,517	G	1.00	01/01/97	N	WAYNE	Y		RECOMMENDATION PKG. IN PROCESS
1211	1210-2091	FORESTRY TECH III	64	$15,946	G	0.65	01/20/97	N	CHEROKEE	Y		PENDING APPROVAL TO ADVERTISE
1211	1210-2080	FORESTER I	67	$27,218	G	1.00	01/31/97	N	COLUMBUS			FILLED
1211	1210-2155	FORESTRY TECH I	60	$12,292	G	0.60	02/01/97	N	FORSYTH	Y		RECOMMENDATION PKG. IN PROCESS
1211	1210-2025	FORESTRY TECH I	60	$13,521	G	0.60	02/01/97	N	BURKE	Y		FILLED
1211	1210-2059	FOREST FIRE EQUIP OPER	63	$15,288	G	0.60	02/01/97	N	WILSON	Y		RECOMMENDATION SUBMITTED
1211	1210-2122	FORESTRY TECH I	60	$17,046	G	0.60	02/01/97	N	CATAWBA	Y		FILLED
1211	1240-2401	ACCOUNTING CLERK IV	59	$20,768	G	1.00	02/01/97	N	WAKE	Y		RECOMMENDATION PKG. IN PROCESS
1211	1210-2081	FORESTRY TECH I	60	$11,927	G	0.60	03/07/97	N	BLADEN			RECOMMENDATION PKG. IN PROCESS
1211	1250-2503	OFFICE ASSISTANT III	57	$21,241	G	1.00	03/14/97	N	BUNCOMBE			PENDING DEPT. APPROVAL TO ADVERTISE
1211	1210-2035	FORESTRY TECH I	60	$14,487	G	0.60	04/01/97	N	MOORE			RECOMMENDATION PKG. IN PROCESS
		Total - Appropriation-Supported		**$200,251**		**8.25**						
1212	1260-2608	FORESTRY TECH I	60	$19,515	R	1.00	04/01/88	N	MACON			DIVISION MANAGEMENT REVIEWING
1212	1260-2602	MECHANIC II	63	$25,467	R	1.00	01/01/92	N	BURKE			DIVISION MANAGEMENT REVIEWING
1212	1260-2602	MACHINE OPERATOR II	56	$16,732	R	1.00	07/01/92	N	~~RANDOLPH~~	Burke		DIVISION MANAGEMENT REVIEWING
1212	1260-2601	MACHINE OPERATOR II	56	$16,732	R	1.00	12/01/92	N	~~RANDOLPH~~	Wayne		DIVISION MANAGEMENT REVIEWING
1212	1260-2608	FOREST NURSERY ASST II	58	$19,408	R	1.00	03/31/93	N	BURKE			DIVISION MANAGEMENT REVIEWING
1212	1260-2601	MAINTENANCE MECH I	58	$18,404	R	1.00	08/02/93	N	~~RANDOLPH~~	Wayne		DIVISION MANAGEMENT REVIEWING
1212	1260-2601	MAINTENANCE MECH II	60	$22,351	R	1.00	09/08/95	N	~~RANDOLPH~~	Wayne		DIVISION MANAGEMENT REVIEWING
1212	1270-2701	FORESTRY TECH II	62	$26,697	F	1.00	09/10/95	Y	BLADEN			DIVISION MANAGEMENT REVIEWING
1212	1210-2203	FOREST FIRE EQUIP OPER	63	$25,480	R	1.00	09/30/95	N	PENDER			DIVISION MANAGEMENT REVIEWING
1212	1260-2604	MACHINE OPERATOR II	56	$20,508	R	1.00	06/04/96	N	AVERY		Y	LWOP
1212	1210-2213	FORESTRY TECH I	60	$19,896	F	1.00	11/21/96	N	CABARRUS			DIVISION MANAGEMENT REVIEWING
1212	1210-2091	FORESTRY TECH III	64	$8,586	R	0.35	01/20/97	N	CHEROKEE	Y		PENDING APPROVAL TO ADVERTISE
1212	1210-2155	FORESTRY TECH I	60	$8,194	R	0.40	02/01/97	N	FORSYTH	Y		RECOMMENDATION PKG. IN PROCESS
1212	1210-2025	FORESTRY TECH I	60	$9,014	R	0.40	02/01/97	N	BURKE	Y		FILLED
1212	1210-2059	FOREST FIRE EQUIP OPER	63	$10,192	R	0.40	02/01/97	N	WILSON	Y		RECOMMENDATION PKG. IN PROCESS
1212	1210-2122	FORESTRY TECH I	60	$11,364	R	0.40	02/01/97	N	CATAWBA	Y		FILLED
1212	1250-2501	MACHINE OPERATOR IV	59	$19,697	R	1.00	02/01/97	N	CRAVEN			FILLED
1212	1260-2602	FOREST TECH YOUNG OFF PR	62T	$22,195	R	1.00	02/01/97	Y	BURKE			FILLED
1212	1260-2604	FORESTRY TECH IV	66	$27,922	R	1.00	02/28/97	Y	AVERY			ADVERTISING
1212	1260-2607	FORESTRY TECH II	62	$21,555	R	1.00	03/01/97	N	WAYNE			ADVERTISING
1212	1210-2081	FORESTRY TECH I	60	$7,951	R	0.40	03/07/97	N	BLADEN			RECOMMENDATION PKG. IN PROCESS

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Account	Center	Classification	P.G.	Budgeted Salary	Funding Source	FTE	Date Vacated	Supervisor (Y/N) (YES/NO)	County	SPAN CUT (Y/N)	LWOP (Y/N))	Explanation
1212	1260-2601	FORESTRY NURSERY ASST I	54	$17,991	R	1.00	03/10/97	Y	RANDOLPH			POSITION ON RIF LIST
1212	1210-2222	FORESTRY TECH I	60	$19,896	R	1.00	03/13/97	N	BLADEN		Y	LWOP
1212	1210-2213	FORESTRY TECH I	60	$19,896	F	1.00	03/31/97	N	ORANGE			POSTION ENDS 6-30-97
1212	1210-2035	FORESTRY TECH I	60	$9,658	R	0.40	04/01/97	N	MOORE			RECOMMENDATION PKG. IN PROCESS
1212	1210-2213	FORESTRY TECH I	60	$19,896	F	1.00	04/01/97	N	CLEVELAND			POSTION ENDS 6-30-97
		Total Receipt - Supported		**$465,197**		**21.75**						
SOIL & WATER												
1211	1310-3101	COMPUTING CONSULTANTII	70	$30,713	G	1.00	07/01/96	N	WAKE			HARD TO RECRUIT
1211	1310-3101	ENVIRONMENTAL ENG I	73	$33,401	G	1.00	10/01/96	N	BEAUFORT			INTERVIEWING
1211	1310-3101	SOIL SURVEY SUPERVISOR	71	$30,713	G	1.00	10/25/96	N	HALIFAX	Y		
1211	1310-3101	ADMIN SERVICES ASST V	61	$23,678	G	1.00	01/21/97	N	WAKE			INTERVIEWING
1211	1310-3101	ENVIRONMENTAL ENG I	73	$16,701	G	1.00	02/28/97	N	WAYNE			TO BE REALLOCATED
1211	1310-3101	ENVIRONMENTAL ENG I	73	$33,401	G	1.00	03/01/97	N	NEW HANOVER			INTERVIEWING
		Total - Appropriation-Supported		**$168,607**		**6.00**						
MARINE FISHERIES												
1211	1325-3401	MARINE FISH TELECOMMUN	62T	$21,142	G	1.00	03/31/95	Y	CARTERET			RECOMMENDATION PACKAGE IN PROCESS
1211	1325-3401	OFFICE ASSISTANT IV	59	$18,763	G	1.00	03/01/96	N	CARTERET			FILLED
1211	1320-3350	MARINE FISH BIO II	70	$31,516	G	1.00	05/02/96	N	DARE			RECOMMENDATION PACKAGE IN PROCESS
1211	1325-3401	MARINE FISH ENFOR OFF III	68T	$26,626	G	1.00	09/18/96	N	DARE			INTERVIEWING
1211	1320-3370	COMPUTING CONSULTANT IV	74	$41,397	G	1.00	12/31/96	N	CARTERET			PENDING RECLASSIFICATION
1211	1325-3401	MARINE FISH LAW EFCMNT OF	74T	$53,238	G	1.00	01/03/97	N	CARTERET			RECRUITING
1211	1325-3401	MARINE FISH ENFOR OFF III	68T	$27,017	G	1.00	02/01/97	N	HYDE			ADVERTISING
1211	1325-3401	MARINE FISH ENF OFF III	68T	$32,196	G	1.00	03/12/97	N	BEAUFORT		Y	ADVERTISING
1211	1320-3210	MARINE FISH TECH II	62	$27,486	G	1.00	03/31/97	N	CARTERET			REDUCING TO GIVE SALARY RESERVE FOR SPAN
1211	1325-3401	MARINE FISH ENFRMNT SUPV	74	$24,465	G	1.00	04/01/97	Y	NEW HAN			PENDING APPROVAL TO ADVERTISE
1211	1315-3151	MARINE FISHERIES DIRECTOR	81T	$83,640	G	1.00	05/25/97	Y	CARTERET			RECRUITING
		Total - Appropriation-Supported		**$387,486**		**11.00**						
1212	1320-3242	DATA CONTROL CLERK IV	59	$18,763	R	1.00	07/31/94	N	CARTERET			INSUFFICIENT RECEIPTS TO FILL
1212	1320-3242	COMPUTING CONSUL II	70	$25,981	F	1.00	01/01/95	N	CARTERET			INSUFFICIENT RECEIPTS TO FILL
1212	1320-3284	DATA CONTROL CLERK III	57	$17,378	F	1.00	02/06/95	N	CARTERET			INSUFFICIENT RECEIPTS TO FILL

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Account	Center	Classification	P.G.	Budgeted Salary	Funding Source	FTE	Date Vacated	Supervisor (Y/N) (YES/NO)	County	SPAN CUT (Y/N)	LWOP (Y/N))	Explanation
1212	1320-3211	COMPUTING CONSULTANT I	68	$29,413	F	1.00	01/01/97	N	CARTERET			ADVERTISING
1212	1320-3220	MARINE FISHERIES BIO I	67	$29,986	F	1.00	02/14/97	Y	CARTERET			FILLED
1212	1320-3210	MARINE FISHERIES TECH II	62	$22,195	F	1.00	05/01/97	N	CARTERET			PENDING APPROVAL TO ADVERTISE
		Total Receipt - Supported		**$143,716**		**6.00**						
PARK & RECREATION												
1211	1290-2902	MAINTENANCE MECH IV	64	$22,903	G	1.00	06/30/96	N	WAKE			FILLED
1211	1290-2902	GROUNDS WORKER	56	$17,749	G	1.00	07/12/96	N	WAKE			INTERVIEWING
1211	1290-2902	MAINTENANCE MECH I	58	$19,293	G	1.00	08/01/96	N	WAKE			INTERVIEWING
1211	1280-2857	MAINTENANCE MECH IV	64	$25,218	G	1.00	10/18/96	N	ASHE			FILLED
1211	1290-2902	MAINTENANCE MECH IV	64	$24,414	G	1.00	01/01/97	N	WAKE			FILLED
1211	1280-2855	PARK RANGER I	60	$21,473	G	1.00	02/01/97	N	BURKE			FILLED
1211	1290-2902	MAINTENANCE MECH IV	64	$23,363	G	1.00	03/31/97	N	WAKE			FILLED
1211	1280-2834	PARK SUPERINTENDENT I	65	$28,273	G	1.00	04/01/97	Y	HALIFAX			FILLED
1211	1290-2903	PARK RANGER II	62	$22,195	G	1.00	04/01/97	N	CHATMAN			INTERVIEWING
1211	1290-2903	ELECTRICIAN II	63	$23,305	G	1.00	04/01/97	N	CHATHAM			INTERVIEWING
1211	1290-2902	MAINTENANCE MECH I	58	$20,161	G	1.00	04/30/97	N	WAKE			INTERVIEWING
		Total - Appropriation-Supported		**$248,347**		**11.00**						
1212	1290-2901	PROCESSING ASST III	57	$18,743	R	1.00	08/19/96	N	WAKE		Y	LWOP
1212	1295-2953	ART MUSEM EXHIB DESN TEC	64T	$24,232	F	1.00	10/01/96	N	WAKE			INTERVIEWING
1212	1295-2962	COMPUTING CONSULTANT II	70	$29,449	F	1.00	03/01/97	N	WAKE			RECOMMEDATION SUBMITTED
		Total Receipt - Supported		**$72,424**		**3.00**						

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N C AQUARIUMS												
1211	13553550	MARINE FISHERIES TECH II	62	$21,555	G	1.00	04/01/97	N	DARE			RECRUITING
1211	13553560	MARINE CTR PROG ASST	65	$26,503	G	1.00	05/05/97	N	CARTERET		Y	LWOP
		Total Appropriation-Supported		**$48,058**		**2.00**						
1212	2850	AQUARIUM ACTIVITY COORD	63T	$11,008	R	0.50	05/31/94	N	DARE			DIFFICULT TO RECRUIT DUE TO BEING PART-TIME
1212	2860	AQUARIUM ACTIVITY COORD	63T	$11,008	R	0.50	12/29/94	N	CARTERET			DIFFICULT TO RECRUIT DUE TO BEING PART-TIME
1212	2855	AQUARIUM ACTIVITY COORD	63T	$11,008	R	0.50	08/21/95	N	BRUNSWICK			DIFFICULT TO RECRUIT DUE TO BEING PART-TIME
		Total Receipt - Supported		**$33,024**		**1.50**						
NC ZOO												
1211	1305-3053	PROCESSING ASST III	57	$19,515	G	1.00	03/01/95	N	RANDOLPH	Y		
1211	1305-3063	COOK II	55	$4,826	G	1.00	08/31/95	N	RANDOLPH	Y		
1211	1305-3063	SALES CLERK II	53	$6,328	G	1.00	10/01/95	N	RANDOLPH	Y		
1211	1305-3055	GROUND WORKER	56	$5,020	G	1.00	04/01/96	N	RANDOLPH			TO BE ABOLISHED FOR SALARY RESERVE
1211	1305-3056	HOUSEKEEPER	50	$7,800	G	1.00	06/05/96	N	RANDOLPH			FILLED
1211	1305-3057	ARTIST ILLUSTRATOR II	64	$22,903	G	1.00	06/19/96	N	RANDOLPH	Y	Y	
1211	1305-3064	ZOO TRAM SYS ASST SUPV	58	$15,289	G	1.00	07/05/96	Y	RANDOLPH	Y		
1211	1305-3056	HOUSEKEEPING TEAM LEAD	52	$8,103	G	1.00	10/01/96	N	RANDOLPH			RECOMMENDATION SUBMITTED
1211	1305-3056	HOUSEKEEPER	50	$7,910	G	1.00	10/01/96	N	RANDOLPH			RECOMMENDATION SUBMITTED
1211	1305-3053	ZOOKEEPER I	58	$18,372	G	1.00	01/10/97	N	RANDOLPH			FILLED
1211	1305-3055	GROUND WORKER	56	$16,732	G	1.00	02/01/97	N	RANDOLPH			ADVERTISING
1211	1305-3053	ZOOKEEPER I	58	$18,389	G	1.00	03/01/97	N	RANDOLPH			ADVERTISING
1211	1305-3056	HOUSEKEEPER	50	$16,129	G	1.00	03/01/97	N	RANDOLPH			RECOMMENDATION SUBMITTED
1211	1305-3053	ZOOKEEPER I	58	$18,389	G	1.00	03/01/97	N	RANDOLPH			RECOMMENDATION SUBMITTED
1211	1305-3056	HOUSEKEEPING TEAM LEAD	52	$8,103	G	1.00	03/30/97	N	RANDOLPH			ADVERTISING
1211	1305-3053	ZOOKEEPER II	60	$20,829	G	1.00	03/31/97	N	RANDOLPH			ADVERTISING
1211	1305-3055	GROUND WORKER	56	$17,889	G	1.00	04/14/97	N	RANDOLPH			ADVERTISING
1211	1305-3053	FOOD SERVICE ASSIST I	50	$16,129	G	1.00	04/16/97	N	RANDOLPH			ADVERTISING
1211	1305-3053	ZOOKEEPER I	58	$18,389	G	1.00	04/30/97	N	RANDOLPH			TO BE ADVERTISED
1211	1305-3054	VETERINARIAN	78	$47,666	G	1.00	04/30/97	N	RANDOLPH			TO BE ADVERTISED
1211	1305-3065	STOCK CLERK I	52	$16,129	G	1.00	05/02/97	N	RANDOLPH			TO BE ADVERTISED
1211	1305-3067	ZOO SECURITY OFFICER II	56	$17,566	G	1.00	05/19/97	N	RANDOLPH			TO BE ADVERTISED
		Total - Appropriation-Supported		**$348,405**		**22.00**						

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Account	Center	Classification	P.G.	Budgeted Salary	Funding Source	FTE	Date Vacated	Supervisor (Y/N) (YES/NO)	County	SPAN CUT (Y/N)	LWOP (Y/N))	Explanation
1212	1305-3063	PUBLIC INFO ASST III	57	$15,820	R	1.00	09/14/95	N	RANDOLPH			INTERVIEWING
1212	1305-3056	HOUSEKEEPER	50	$7,717	R	1.00	08/31/96	N	RANDOLPH			FILLED
1212	1305-3058	VOLUNTEER SERV COORD	63	$24,530	R	1.00	01/17/97	N	RANDOLPH			RECOMMENDATION SUBMITTED
1212	2240	MAINTENANCE MECH II	62	$23,350	R	1.00	01/21/97	N	RANDOLPH			INTERVIEWING
1212	2240	MAINTENANCE MECH II	60	$19,896	R	1.00	02/01/97	N	RANDOLPH			INTERVIEWING
1212	2240	MAINTENANCE MECH II	60	$19,896	R	1.00	04/14/97	N	RANDOLPH			INTERVIEWING
		Total Receipt - Supported		**$111,209**		**6.00**						
MUSEUM OF NATURAL SCIENCE												
1211	13603610	ADMIN SEC II	60	$21,062	G	1.00	03/31/97	N	WAKE			RECOMMENDATION SUBMITTED
1211	13603630	NAT SCIENCE CURATOR I	65	$26,358	G	1.00	04/01/97	N	WAKE			FILLED
1211	13603610	NAT SCIENCE ED CURATOR	68T	$46,242	G	1.00	04/30/97	Y	WAKE			PENDING RECLASSIFICATION
		Total Appropriation-Supported		**$93,662**		**3.00**						

		DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES - VACANCY REPORT AS OF MAY 7, 1997										
Account	Center	Classification	P.G.	Budgeted Salary	Funding Source	FTE	Date Vacated	Supervisor (Y/N) (YES/NO)	County	SPAN CUT (Y/N)	LWOP (Y/N))	Explanation
HEALTH												
DENTAL HEALTH												
1211	1435-4352-0097	DENTAL HYGIENIST II	65	$29,446	G	1.00	04/01/96	N	ROWAN			NEWLY RECLASSIFIED 2/1/97,
1211	1435-4352-0097	DENTIST I	82	$42,725	G	1.00	04/30/96	N	CRAVEN			PENDING RECLASSIFICATION
1211	1435-4352-0097	DENTIST I	82	$80,553	G	1.00	09/30/96	N	WAKE	Y		
1211	1435-4352-0097	PUB HTH REG'L DENTIST SUP	85	$63,664	G	1.00	12/30/96	Y	BEAUFORT		Y	ON SHORT-TERM DISABILITY
1211	1435-4352-0097	DENTAL HYGIENIST II	65	$36,351	G	1.00	02/19/97	N	LEE		Y	ON WORKER'S COMPENSATION LWOP
1211	1435-4352-0097	DENTIST I	82	$66,159	G	1.00	02/28/97	N	CALDWELL			RECRUITING
1211	1435-4352-0097	DENTIST I	82	$65,409	G	1.00	04/15/97	N	JACKSON			RECRUITING
1211	1435-4352-0097	DENTAL HYGIENIST II	65	$31,264	G	1.00	04/30/97	N	HERTFORD			ADVERTISING
1211	1435-4352-0097	DENTAL HYGIENIST II	65	$34,127	G	1.00	04/30/97	N	SWAIN			ADVERTISING
		Total - Appropriation-Supported		**$449,698**		**9.00**						
1212	1435-4353-2407	DENTAL HYGIENIST II	65	$30,207	R	1.00	08/31/96	N	FORSYTH			ADVERTISING
		Total Receipt - Supported		**$30,207**		**1.00**						
ENVIRONMENTAL HEALTH												
1211	150050100097	ENV ENG II	75	$42,488	G	1.00	02/07/97	N	WAKE			INTERVIEWING
1211	150050100097	ENV ENGINEER II	75	$39,262	G	1.00	03/12/97	N	WAKE			INTERVIEWING
1211	149049050097	PROC ASSIST IV	59	$15,627	G	0.55	04/30/97	N	WAKE			FILLED
		Total Appropriation-Supported		**$97,377**		**2.55**						
1212	150050117687	ENV SPEC II	70	$40,547	R	1.00	10/01/96	N	WAKE			INTERVIEWING
1212	149049041357	DATA ENTRY SPECIALIST	58	$23,000	F	1.00	02/01/97	N	WAKE			RECRUITING
1212	149049041357	ENV ENGINEER I	73	$36,000	F	1.00	02/01/97	N	WAKE			INTERVIEWING
1212	149049041357	ENV ENGINEER I	73	$36,000	F	1.00	02/01/97	N	FORSYTH			RECOMMENDATION SUBMITTED
1212	149049041357	ENV ENG I	73	$34,053	F	1.00	02/28/97	N	CUMBERLAND		Y	LWOP
1212	149049041357	APPLICATIONS ANALYST PRO II	76	$45,835	F	1.00	04/04/97	N	WAKE			RECRUITING
1212	148548517607	PROC ASSIST IV	59	$12,786	R	0.45	04/30/97	N	WAKE			FILLED
		Total Receipt - Supported		**$228,221**		**6.45**						

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EPIDEMIOLOGY												
1211	1450-4542-0097	PUBLIC HLTH EDUCATOR II	67	$27,218	G	1.00	11/01/96	N	WAKE			RECOMMEDATION SUBMITTED
1211	1440-4423-0097	PROCESSING ASST III	57	$17,701	G	1.00	03/04/97	N	WAKE			RECRUITING
1211	1450-4542-0097	OFFICE ASST III	57	$17,832	G	1.00	03/19/97	N	WAKE			
1211	146046010097	P H DIS CTRL SPEC I	65	$25,018	G	1.00	01/01/97	N	PITT			INTERVIEWING
1211	147047010097	P H PHYS II	NG	$77,478	G	1.00	03/03/97	N	WAKE			ADVERTISING-HIGHLY TECHNICAL POSITION
		Total Appropriation-Supported		**$165,247**		**5.00**						
1212	1450-4533-1177	PUB HLTH DIS CTRL SPEC I	65	$23,831	F	1.00	03/02/95	N	FORSYTH			PENDING GRIEVANCE ACTION
1212	1440-4410-3437	PUBLIC HEALTH PHYS II	NG	$96,369	H	1.00	06/30/95	Y	WAKE			RECOMMENDATION SUBMITTED
1212	1445-4457-7807	OFFICE ASSISTANT III	57	$17,832	R	1.00	03/01/96	N	WAKE			
1212	1445-4465-0245	OFFICE ASSISTANT III	57	$17,378	F	1.00	04/01/96	N	WAKE			
1212	1440-4421-3417	OFFICE ASSISTANT IV	59	$20,250	H	1.00	05/21/96	N	WAKE			
1212	1440-4424-1217	OFFICE ASSISTANT III	57	$17,378	F	1.00	06/01/96	N	WAKE			
1212	1440-4424-1217	PUBLIC HLTH EPIDEMIOL	70	$29,517	F	1.00	06/14/96	N	WAKE			
1212	1445-4464-0347	ENVIRONMETAL TECH III	65	$25,246	F	1.00	08/31/96	N	WAKE			
1212	1450-4534-1197	P H PGM CONS I	68	$31,777	F	1.00	09/11/96	N	WAKE			
1212	1440-4424-1217	PUBLIC HLTH PRGM CONS I	68	$28,363	F	1.00	01/17/97	N	WAKE			
1212	1445-4458-7637	ABESTOS TRAINER	75T	$38,394	R	1.00	02/01/97	N	WAKE			INTERVIEWING
1212	1440-4410-3437	PROCESSING ASST IV	59	$20,067	H	1.00	02/28/97	N	WAKE			INTERVIEWING
1212	1140-4428-3367	RESEARCH TECH III	66	$36,000	H	1.00	03/01/97	N	WAKE			RECRUITING
1212	1445-4457-7807	PROCESSING ASST III	57	$20,888	R	1.00	03/07/97	N	WAKE			INTERVIEWING
1212	1450-4533-1177	PUBLIC HLTH EDUC II	67	$27,218	F	1.00	03/18/97	N	WAKE			INTERVIEWING
1212	1450-4533-1177	OFFICE ASSISTANT IV	59	$19,697	F	1.00	03/18/97	N	WAKE		Y	LWOP
1212	1445-4465-0245	ABSTESTOS INSPECTOR	73T	$35,064	F	1.00	04/01/97	N	WAKE			PENDING RECLASSIFICATION
1212	1445-4462-0127	STATISTICAL ASST III	57	$13,684	F	1.00	04/30/97	N	WAKE			LWOP
1212	1450-4533-1177	PUB HLTH DIS CTRL SPEC I	65	$24,296	F	1.00	04/30/97	N	WAKE			
1212	1460-4602-1117	P H DIS CTRL SPEC II	67	$28,850	F	1.00	01/01/97	Y	WAKE			INTERVIEWING
1212	1450-4533-1177	OFFICE ASST II	57	$17,717	F	1.00	01/01/97	N	WAKE			
		Total Receipt - Supported		**$589,816**		**21.00**						

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES - VACANCY REPORT AS OF MAY 7, 1997

Account	Center	Classification	P.G.	Budgeted Salary	Funding Source	FTE	Date Vacated	Supervisor (Y/N) (YES/NO)	County	SPAN CUT (Y/N)	LWOP (Y/N))	Explanation
MEDICAL EXAMINER'S												
1211	1420-4202-0097	APPLICATIONS ANALYST PROG II	76	$39,019	G	1.00	08/03/95	N	ORANGE			WORK AGAINST (CONTRACT WITH UNC)
1211	1420-4202-0097	ADMIN SERV MGR	73	$43,719	G	1.00	05/01/97	Y	ORANGE			RECRUITING
		Total Appropriation-Supported		**$82,738**		**2.00**						
MATERNAL & CHILD HEALTH												
1211	154054050097	NUTRITION PROG SUPR	75T	$9,122	G	0.30	10/01/94	Y	WAKE			HOLDING FOR POTENTIAL RIF
1211	152552540097	PROCESSING UNIT SUPRV V	61	$20,336	G	1.00	11/01/95	Y	GUILFORD			REALLOCATED
1211	152552540097	PROCESSING ASSISTANT III	57	$17,378	G	1.00	03/31/96	N	GUILFORD			RECOMMENDATION SUBMITTED
1211	152552520097	PHYSICAL THERAPIST II	76	$39,597	G	1.00	09/03/96	N	CRAVEN			RECOMMENDATION SUBMITTED
1211	152552530097	SPCH & LNGE PATHLOG I	71	$34,408	G	1.00	09/09/96	N	NEW HANOVER			FILLED
1211	152552630097	SPCH & LNGE PATHLOG I	71	$33,083	G	1.00	09/13/96	N	DURHAM			INTERVIEWING-HARD TO RECRUIT
1211	151051010097	OFFICE ASSISTANT IV	59	$24,987	G	1.00	09/30/96	N	WAKE			RECOMMEDATION SUBMITTED
1211	152552540097	STAFF PSYCOHOLOGIST II	72	$35,259	G	1.00	11/01/96	N	GUILFORD			RECRUITING-HARD TO RECRUIT
1211	152552520097	STAFF PSYCHOLOGIST II	72	$35,678	G	1.00	12/02/96	N	CRAVEN			FILLED (TO START 8/18/97)
1211	152552630097	OCCUPATIONAL THERPIST I	74	$34,933	G	1.00	12/31/96	N	DURHAM			RECRUITING-HARD TO RECRUIT
1211	152552530097	SPCH & LNGE PATHLOG I	71	$32,450	G	1.00	01/09/97	N	NEW HANOVER			FILLED
1211	153053220097	P H SOC WORK CONSULT	70	$30,895	G	1.00	01/17/97	N	IREDELL	Y		
1211	152552540097	SOCIAL WORKER III	68	$29,542	G	1.00	01/31/97	N	GUILFORD			INTERVIEWING
1211	152552630097	PHYSICAL THERAPIST II	76	$35,075	G	1.00	02/16/97	N	DURHAM			RECOMMEDATION SUBMITTED
1211	152552540097	PHYSICAL THERAPIST II	76	$30,151	G	1.00	02/28/97	N	GUILFORD			RECRUITING-HARD TO RECRUIT
1211	153053010097	OFFICE ASSISTANT III	57	$17,717	G	1.00	03/06/97	N	WAKE			PENDING APPROVAL FOR ADVERTISING
1211	152552630097	SENIOR PSYCHOLOGIST I	76	$43,200	G	1.00	03/14/97	N	DURHAM			RECRUITING-HARD TO RECRUIT
1211	152552540097	DEV EVAL CENTER ASST DIR	73	$34,212	G	1.00	03/31/97	Y	GUILFORD			RECRUITING-HARD TO RECRUIT
1211	152552550097	PHYSICIAN EXTNEDER II	77	$41,045	G	1.00	03/31/97	N	CUMBERLAND			RECRUITING-HARD TO RECRUIT
1211	152552560097	DEV DISAB SPECIALIST	66	$27,713	G	1.00	04/04/97	N	WAKE			RECRUITING-HARD TO RECRUIT
		Total Appropriation-Supported		**$606,781**		**19.30**						
1212	153053167947	PHYSICAL THERAPY ASST I	61	$20,336	R	1.00	01/01/91	N	WAKE			HARD TO RECRUIT
1212	151551511127	P H PGM CONSULT I	68	$27,017	F	1.00	05/20/94	N	BEAUFORT			MANAGEMENT PLANS TO REALLOCATE
1212	151551511127	OFFICE ASSISTANT III	57	$17,378	F	1.00	06/01/94	N	WAKE			RECOMMENDATION SUBMITTED
1212	154054051607	NUTRITION PROG SUPR	75T	$21,285	F	0.70	10/01/94	Y	WAKE			RECLASSIFIED
1212	151551511127	P H PGM CONSULT I	68	$27,853	F	1.00	10/01/94	N	NEW HANOVER			MANAGEMENT PLANS TO REALLOCATE

		DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES - VACANCY REPORT AS OF MAY 7, 1997										
Account	Center	Classification	P.G.	Budgeted Salary	Funding Source	FTE	Date Vacated	Supervisor (Y/N) (YES/NO)	County	SPAN CUT (Y/N)	LWOP (Y/N))	Explanation
1212	152052051216	P H GENETICIST	79T	$58,758	F	1.00	02/24/95	Y	WAKE			IN PROCESS OF BEING RECLASSIFIED
1212	157557580607	OFFICE WORK UNIT SUPRV IV	59	$18,763	F	1.00	02/01/96	Y	WAKE			RECOMMENDATION SUBMITTED
1212	151551511127	P H SOC WORK CONSULT	70	$40,500	F	1.00	04/30/96	N	WAKE			RECRUITING-HARD TO RECRUIT
1212	157557810697	NUTRITION PROG CONSULTANT	74	$34,933	F	1.00	07/01/96	N	WAKE			FILLED
1212	154054031607	P H PGM CONSULT I	68	$29,747	F	1.00	12/20/96	N	WAKE			IN PROCESS OF BEING RECLASSIFIED
1212	157557580697	CHILD NUTR PROG CONSULT	68	$28,363	F	1.00	01/16/97	N	GUILFORD			FILLED
1212	154054031607	COMPUTING SUPPORT TECH II	63	$24,293	F	1.00	02/01/97	N	WAKE			FILLED
1212	153053251216	P H NURS CONSULT II	75	$45,000	F	1.00	03/01/97	N	NEW HANOVER			PENDING APPROVAL FOR ADVERTISING
1212	153053251216	P H NURS CONSULT II	75	$45,000	F	1.00	03/01/97	N	CUMBERLAND			PENDING APPROVAL FOR ADVERTISING
1212	157557580607	CHILD NUTR PROG CONSULT	68	$40,000	F	1.00	03/01/97	N	WAKE			PENDING APPROVAL FOR ADVERTISING
1212	157557580607	CHILD NUTR PROG CONSULT	68	$40,000	F	1.00	03/01/97	N	CUMBERLAND			PENDING APPROVAL FOR ADVERTISING
1212	157557580607	OFFICE ASSISTANT III	57	$22,388	F	1.00	03/31/97	N	WAKE			PENDING APPROVAL FOR ADVERTISING
1212	157057101097	P H PGM CONSULT I	68	$29,845	F	1.00	04/01/97	N	WAKE			TO BE ABOLISHED
1212	150550521217	PERSONNEL ASSISTANT III	57	$20,000	F	1.00	04/16/97	N	WAKE		Y	
1212	157057101097	P H EPIDEMIOLOGIST	70	$32,364	F	1.00	05/01/97	N	WAKE			INTERVIEWING
		Total Receipt - Supported		**$623,823**		**19.70**						
HEALTH PROMOTION												
1212	155055101236	PERSONNEL ASSITANT III	57	$23,277	F	1.00	03/31/94	N	WAKE			PENDING RECLASSIFACTION
1212	155055101236	P H ED II	67	$26,309	F	1.00	03/15/96	N	WAKE			INTERVIEWING
1212	155055151237	ADMIN SEC II	60	$23,601	F	1.00	04/01/96	N	WAKE			INTERVIEWING
1212	154554561087	P H EPIDEMIOLOGIST	70	$30,168	F	1.00	06/12/96	N	WAKE			INTERVIEWING
1212	155055301236	PROCESSING ASSISTANT IV	59	$20,000	F	1.00	06/21/96	N	WAKE			RECRUITING
1212	154554520136	OFFICE ASSISTANT III	57	$17,378	F	1.00	08/01/96	N	WAKE			RECRUITING
1212	154554520136	P H EDUCATOR II	67	$33,507	F	1.00	11/30/96	N	WAKE			FILLED
1212	155055101236	ACCOUNTING TECHNICIAN IV	65	$35,603	F	1.00	12/12/96	N	WAKE		Y	LWOP
1212	155055151236	PH PGM CONSULT I	68	$29,449	F	1.00	01/01/97	N	WAKE			RECOMMENDATION SUBMITTED
1212	155055151236	P H PGM CONSULT I	68	$29,449	F	1.00	01/01/97	N	WAKE			INTERVIEWING
1212	155555798655	PROCESSING ASSISTANT IV	59	$24,979	R	1.00	02/24/97	N	WAKE		Y	LWOP
1212	155555741258	PROCESSING ASSISTANT III	57	$9,920	F	1.00	04/01/97	N	WAKE			
1212	154554520136	P H EDUCATOR III	71	$36,434	F	1.00	04/17/97	Y	WAKE			ADVERTISING
		Total Receipt - Supported		**$340,074**		**13.00**						

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES - VACANCY REPORT AS OF MAY 7, 1997

Account	Center	Classification	P.G.	Budgeted Salary	Funding Source	FTE	Date Vacated	Supervisor (Y/N) (YES/NO)	County	SPAN CUT (Y/N)	LWOP (Y/N))	Explanation
P H LABORATORY												
1211	156056020097	CHEMISTRY TECHNICIAN III	68	$27,140	G	1.00	05/31/96	N	WAKE			BEING REALLOCATED
1211	156045420097	PROCESSING ASSSISTANT IV	59	$19,855	G	1.00	01/07/97	N	WAKE			LWOP
1211	156056020097	CHEMISTRY TECHNICIAN III	68	$6,002	G	0.20	01/31/97	N	WAKE			
1211	156056020097	MED LAB RTECHNICIAN II	64	$24,042	G	1.00	02/01/97	N	WAKE			RECOMMEDATION SUBMITTED
1211	156056020097	MED LAB TECHNOLOGIST III	71	$39,752	G	1.00	02/01/97	N	WAKE			RECRUITING
1211	156056020097	CHEMISTRY TECHNICIAN III	68	$37,251	G	1.00	03/01/97	N	WAKE			BEING RALLOCATED
1211	156056020097	MED LAB TECHNOLOGIST I	67	$27,649	G	1.00	03/01/97	N	WAKE			RECRUITING
1211	156056020097	PROCESSING ASSISTANT III	57	$18,242	G	1.00	03/14/97	N	WAKE			RECRUITING
1211	156056020097	MED LAB TECHNICIAN II	64	$27,568	G	1.00	04/01/97	N	WAKE			RECRUITING
1211	156056020097	CYTOTECHNOLOGIST I	70	$36,052	G	1.00	04/18/97	N	WAKE			RECRUITING-HARD TO RECRUIT
1211	156056020097	MAIL CLERK I	54	$21,927	G	1.00	04/26/97	N	WAKE			RECRUITING
		Total Appropriation-Supported		**$285,480**		**10.20**						
1212	156045341197	MED LAB TECHNOLOGIST I	67	$28,050	F	1.00	12/31/95	N	WAKE			
1212	156045341197	PROCESSING ASSISTANT III	57	$17,457	F	1.00	04/01/96	N	WAKE			
1212	156056070097	MED LAB TECHNOLOGIST III	71	$40,705	R	1.00	04/15/97	N	WAKE			RECRUITING-HARD TO RECRUIT
1212	156051511127	DATA ENTRY OPERATOR II	57	$18,242	F	1.00	05/15/97	N	WAKE			RECRUITING
		Total Receipt - Supported		**$104,454**		**4.00**						
ST CENTER FOR HEALTH												
1211	116016150097	STATIST RESEARCH ASST I	63	$22,445	G	1.00	09/20/96	N	WAKE			RECOMMENDATION SUBMITTED
1211	146546550097	PROCESSING ASSISTANT III	57	$18,695	G	1.00	02/01/97	N	WAKE			RECOMMENDATION SUBMITTED
1211	146546550097	PROCESSING ASSISTANT IV	59	$24,297	G	1.00	04/29/97	N	WAKE		Y	ON SHORT TERM DIABILITY
1211	116016100097	OFFICE ASSISTANT III	57	$18,810	G	1.00	04/30/97	N	WAKE			RECRUITING
1211	146546550097	PROCESSING ASSISTANT III	57	$18,242	G	1.00	05/02/97	N	WAKE			RECRUITING
1211	11601600097	STATISTICIAN I	68	$28,855	G	1.00	05/15/97	N	WAKE			RECOMMENDATION SUBMITTED
		Total Appropriation-Supported		**$131,344**		**6.00**						

		DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES - VACANCY REPORT AS OF MAY 7, 1997										
Account	Center	Classification	P.G.	Budgeted Salary	Funding Source	FTE	Date Vacated	Supervisor (Y/N) (YES/NO)	County	SPAN CUT (Y/N)	LWOP (Y/N))	Explanation
1212	2410	APPLICATIONS ANALY PROG II	76	$58,000	R	1.00	07/01/96	Y	WAKE			RECOMMENDATION SUBMITTED
1212	116016311096	COMPUTING CONSULTANT III	72	$33,150	F	1.00	07/01/96	N	WAKE			
1212	116016508717	STATISTICIAN II	73	$37,458	R	1.00	10/18/96	N	WAKE			
1212	2410	APPLICATIONS ANALYST PROG I	75	$47,000	R	1.00	11/01/96	N	WAKE			FILLED
1212	116016311097	APPLICATIONS ANALYST PROG II	76	$55,000	F	1.00	01/01/97	N	WAKE			RECRUITING
1212	116016450147	SOCIAL RSEARCH ASST I	63	$29,260	F	1.00	01/10/97	N	WAKE			RECRUITING-HARD TO RECRUIT
1212	116016483397	SOCAIL RESEARCH ASST I	63	$28,000	R	1.00	02/01/97	N	WAKE			RECOMMENDATION SUBMITTED
1212	154054031607	APPLICATIONS ANALY PROG I	74	$45,000	F	1.00	02/07/97	N	WAKE			RECOMMENDATION SUBMITTED
1212	146546707047	PROCESSING ASSISTANT III	57	$18,601	R	1.00	04/11/97	N	WAKE			RECRUITING
1212	116016490287	STATIST RESEARCH ASST II	65	$23,831	F	1.00	05/01/97	N	WAKE			FILLED
1212	116016460157	STATISTICIAN II	76	$36,724	F	1.00	06/01/97	N	WAKE			
		Total Receipt - Supported		**$412,024**		**11.00**						

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES - VACANCY REPORT AS OF MAY 7, 1997

Account	Center	Classification	P.G.	Budgeted Salary	Funding Source	FTE	Date Vacated	Supervisor (Y/N) (YES/NO)	County	SPAN CUT (Y/N)	LWOP (Y/N))	Explanation
ENVIRONMENT												
WASTE MANAGEMENT												
1211	176076210097	HYDROGEOLOGIST I	72	$33,401	G	1.00	11/01/96	N	WAKE			INTERVIEWING
		Total Appropriation-Supported		**$33,401**								
1212	176076330313	OFFICE ASSISTANT III	57	$17,378	F	1.00	03/28/94	N	WAKE			DIVISION MGMT. EVALUATING NEED
1212	176076177797	WASTE MANAGEMENT SPEC	71	$30,853	R	1.00	07/05/96	N	FORSYTH			DIVISION MGMT. EVALUATING NEED
1212	176076400312	ENV ENGINEER II	75	$42,124	F	1.00	09/01/96	N	WAKE			DIFFICULTY IN RECRUITING
1212	176076121397	ENV CHEM II	73	$37,000	F	1.00	10/21/96	N	BUNCOMBE			RECRUITING
1212	176076190097	HYDROGEOLOGIST II	74	$40,000	R	1.00	11/01/96	N	WAKE			FILLED
1212	176076121397	DATA ENTRY OPERATOR II	57	$18,242	F	1.00	12/02/96	N	WAKE			DIFFICULTY IN RECRUITING
1212	176076121397	HYDROGEOLOGIST I	72	$33,921	F	1.00	02/18/97	N	WAKE			RECOMMENDATION SUBMITTED
1212	176076121397	PROCESSING ASSISTANT III	57	$18,242	F	1.00	02/28/97	N	WAKE			RECOMMENDATION SUBMITTED
		Total Receipt - Supported		**$237,760**		**8.00**						
POLLUTION PREVENTION												
1211	16156153	OFFICE ASSISTANT III	57	$18,763	G	1.00	07/01/96	N	WAKE			ADVERTISED AND RECRUITING
1211	16156151	OFFICE ASSISTANT III	57	$17,457	G	1.00	08/23/96	N	WAKE			RECOMMENDATION PACKAGE SUBMITTED
1211	16156152	ENVIRONMENTAL BIOLOGIST II	70	$32,936	G	1.00	12/17/96	N	WAKE	Y		
		Total Appropriation-Supported		**$69,156**		**3.00**						
1212	16156170	ENV SPEC III	72	$32,016	R	1.00	01/01/95	N	FORSYTH			TO BE ABOLISHED
		Total Receipt - Supported		**$32,016**		**1.00**						

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES - VACANCY REPORT AS OF MAY 7, 1997

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WATER QUALITY												
1211	16906901	ENVIRONMENTAL BIOLOGIST I	67	$25,927	G	1.00	03/31/96	N	Wake			HELD VACANT PENDING EXPANSION REQUEST
1211	16306301	COMPUTER OPERATOR	63	$28,462	G	1.00	06/30/96	N	Wake			PENDING RECLASSIFICATION
1211	1690	ENVIRONMENTAL TECH III	65	$23,831	G	1.00	07/01/96	N	BEAUFORT			TO BE FILLED PENDING SAL. RES. AVAILABLE
1211	16556553	HYDROGEOLOGICAL TECH I	65	$23,831	G	1.00	08/13/96	N	WAKE			HELD VACANT PENDING LLRW DECISIONS
1211	16306301	BUSINESS OFFICER III	77	$40,054	G	1.00	10/15/96	Y	WAKE			OFFER MADE
1211	16906901	APPLICATIONS ANALYST PROG I	74	$36,574	G	1.00	10/18/96	N	Wake			HELD VACANT PENDING EXPANSION REQUEST
1211	16906901	ENVIRONMENTAL TECH IV	67	$26,433	G	1.00	10/21/96	N	FORSYTH			HELD VACANT PENDING EXPANSION REQUEST
1211	16906901	ENVIRONMENTAL SUPV II	75	$38,570	G	1.00	10/25/96	Y	Wake			FILLED BY WORK AGAINST
1211	16306301	OFFICE ASSISTANT III	57	$17,378	G	1.00	11/01/96	N	WAKE			PENDING RECLASSIFICATION
1211	16306301	INFO PROCESSING ASSIT I	59	$18,763	G	1.00	11/05/96	N	Wake			HELD VACANT PENDING EXPANSION REQUEST
1211	16906901	ENVIRONMENTAL TECH IV	67	$25,927	G	1.00	01/01/97	N	BEAUFORT			HELD VACANT PENDING EXPANSION REQUEST
1211	16906901	ENVIRONMENTAL TECH V	69	$28,172	G	1.00	01/01/97	N	BUNCOMBE			HELD VACANT PENDING EXPANSION REQUEST
1211	16906901	ENVIRONMENTAL CHEM II	73	$33,401	G	1.00	01/01/97	N	Wake			HELD VACANT PENDING EXPANSION REQUEST
1211	16556551	ARTIST ILLUSTRATOR II	64	$26,033	G	1.00	01/03/97	N	WAKE	Y		
1211	16906901	ENVIRONMENTAL REG SUPV I	76	$38,226	G	1.00	01/10/97	Y	CUMBERLAND			HELD VACANT PENDING EXPANSION REQUEST
1211	16906901	ENVIRONMENTAL TECH IV	67	$25,927	G	1.00	01/27/97	N	BEAUFORT			POSTED
1211	16906901	ENVIRONMENTAL TECH IV	67	$25,927	G	1.00	02/01/97	N	BEAUFORT			HELD VACANT PENDING EXPANSION REQUEST
1211	16906901	COMMUNITY PLANNER II	72	$32,016	G	1.00	02/07/97	N	Wake			HELD VACANT PENDING EXPANSION REQUEST
1211	16356351	CHEMISTRY TECHNICIAN III	68	$27,420	G	1.00	02/07/97	N	WAKE			POSTED
1211	16356351	PROCESSING ASSISTANT III	57	$17,378	G	1.00	02/10/97	N	WAKE			RECOMMENDATION NEED SALARY RESERVE
1211	16556551	HYDGELGCAL DRILL TECH II	63	$32,677	G	1.00	03/01/97	N	LENOIR			POSTED
1211	16906901	ENVIRONMENTAL SUPV II	75	$42,912	G	1.00	03/01/97	Y	Wake	Y		RECLASSIFY TO NON-SUPERVISORY
1211	16356353	CHEMISTRY TECHNICIAN III	68	$27,801	G	1.00	03/01/97	N	WAKE	Y		RECLASSIFY TO NON-SUPERVISORY
1211	16906901	CHEMISTRY TECHNICIAN III	68	$28,362	G	1.00	03/01/97	N	WAKE		Y	FILLED
1211	16906904	ENVIRONMENTAL ENGINEER II	75	$36,573	G	1.00	03/01/97	N	Wake			HELD VACANT PENDING EXPANSION REQUEST
1211	16356351	CHEMISTRY TECHNICIAN III	68	$28,362	G	1.00	03/21/97	N	WAKE			RECOMMENDATION SUBMITTED
1211	16556551	ENV REG SUPV II	78	$65,566	G	1.00	04/01/97	Y	IREDELL			RECOMMENDATION SUBMITTED
1211	16906901	ENVIRONMENTAL TECH IV	67	$32,198	G	1.00	04/01/97	N	FORSYTH			HELD VACANT PENDING EXPANSION REQUEST
		Total Appropriation-Supported		**$854,701**		**28.00**						
1212	1685	ENV ENGINEER I	73	$33,401	F	1.00	06/01/95	N	WAKE			MANAGEMENT REVIEW OF GRANT FUNDING
1212	1685	ADMINISTRATIVE OFFICE II	70	$29,449	F	1.00	11/30/95	N	WAKE			MANAGEMENT REVIEW OF GRANT FUNDING
1212	1680	ENVIRONMENTAL TECH I	61	$23,940	F	1.00	05/28/96	N	Wake			HELD VACANT PENDING EXPANSION REQUEST
1212	1695	ENVIRONMENTAL MODELER II	73	$35,727	R	1.00	09/27/96	N	Wake			HELD VACANT PENDING EXPANSION REQUEST
1212	16606601	HYDROGEOLOGIST II	74	$34,933	F	1.00	10/01/96	N	WAKE			HELD PENDING FUNDING
1212	1695	ENVIRONMENTAL ENGINEER II	75	$42,233	R	1.00	11/08/96	N	Wake			HELD VACANT PENDING EXPANSION REQUEST

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES - VACANCY REPORT AS OF MAY 7, 1997

Account	Center	Classification	P.G.	Budgeted Salary	Funding Source	FTE	Date Vacated	Supervisor (Y/N) (YES/NO)	County	SPAN CUT (Y/N)	LWOP (Y/N))	Explanation
1212	1695	ENVIRONMENTAL SPEC III	72	$42,026	R	1.00	12/01/96	N	Wake			PENDING RECLASSIFICATION
1212	17257255	ENVIRONMENTAL SPEC II	70	$32,016	F	1.00	12/01/96	N	WAKE			PENDING RECLASSIFICATION
1212	16606604	HYDROGEOLOGIST II	74	$36,672	F	1.00	12/31/96	N	WAKE			HELD VACANT PENDING EXPANSION REQUEST
1212	1695	ENVIRONMENTAL SPEC II	70	$30,917	R	1.00	01/01/97	N	Wake			POSTED
1212	1695	ENVIRONMENTAL SUPV III	77	$52,870	R	1.00	01/01/97	Y	Wake			RECLASSIFYING TO NON-SUPERVISORY
1212	17207208	ENVIRONMENTAL ENGINEER I	73	$34,052	F	1.00	01/01/97	N	Wake			HELD VACANT PENDING EXPANSION REQUEST
1212	16906902	ENVIRONMENTAL ENG SUPERV	76t	$43,993	F	1.00	01/03/97	Y	Wake			FILLED
1212	16716710	HYDROGEOLOGICAL TECH I	65	$24,003	R	1.00	02/01/97	N	CUMBERLAND			POSTED
1212	16906902	ENVIRONMENTAL TECH IV	67	$33,174	F	1.00	02/01/97	N	WAKE			HELD VACANT PENDING EXPANSION REQUEST
1212	16716710	PROCESSING ASSISTANT III	57	$17,717	R	1.00	03/01/97	N	WAKE			POSTED
1212	16656660	HYDROGEOLOGICAL TECH II	67	$26,684	F	1.00	03/05/97	N	BUNCOMBE			POSTED
1212	16906902	ENVIRONMENTAL ENGINEER I	73	$34,053	F	1.00	04/01/97	N	Wake			PENDING DEPT. APPROVAL TO FILL
1212	17257253	ENVIRONMENTAL SPEC II	70	$35,064	F	1.00	04/01/97	N	Wake			PENDING DEPT. APPROVAL TO FILL
1212	1680	COMMUNITY DEVEL SPCLIST I	70	$30,024	F	1.00	04/01/97	N	WAKE			HELD VACANT PENDING EXPANSION REQUEST
1212	1695	ENVIRONMENTAL ENGINEER I	73	$35,064	R	1.00	04/04/97	N	Wake			HELD VACANT PENDING EXPANSION REQUEST
1212	16756751	HYDROGEOLOGIST I	72	$32,641	F	1.00	04/24/97	N	WAKE			POSTED
1212	16716710	HYDROGEOLOGICAL TECH I	65	$24,296	R	1.00	04/30/97	N	BEAUFORT			POSTED
1212	16606601	HYDROGEOLOGICAL TECH I	65	$24,296	F	1.00	05/08/97	N	CUMBERLAND			PENDING DEPT. APPROVAL TO FILL
1212	16356355	CHEMISTRY SUPERVISOR III	77	$63,764	R	1.00	05/31/97	Y	WAKE			PENDING DEPT. APPROVAL TO FILL
		Total Receipt - Supported		**$853,009**		**25.00**						
AIR QUALITY												
1211	17707701	PROCESSING ASSISTANT III	57	$18,457	G	1.00	05/01/96	N	WAKE	Y		Fund Shift for Span
1211	17707701	ENVIRONMENTAL REG SUPV II	77	$46,551	G	1.00	10/31/96	Y	IREDELL			FUND SHIFT DUE TO $200,000 REDUCTION
1211	17707701	ELECTRONICS TECHNICIAN II	67	$26,433	G	1.00	12/01/96	N	WAKE			TRANSFER TO ITS
1211	17707701	ELECTRONICS TECHNICIAN II	67	$26,433	G	1.00	12/01/96	N	WAKE			TRANSFER TO ITS
1211	17707705	ENVIRONMENTAL CHEMIST I	71	$30,713	G	1.00	04/30/97	N	WAKE			INTERVIEWING
		Total Appropriation-Supported		**$148,587**		**5.00**						
1212	17757755	ENVIRONMENTAL ENGINEER II	75	$36,573	R	1.00	01/01/95	N	BEAUFORT			ADVERTISING
1212	17757755	ENVIRONMENTAL ENGINEER I	73	$33,401	R	1.00	01/01/95	N	WAKE			FILLED
1212	17757755	ENVIRONMENTAL ENGINEER I	73	$33,401	R	1.00	01/01/95	N	IREDELL			PENDING DEPT. APPROVAL TO FILL
1212	17757755	ENVIRONMENTAL ENGINEER II	75	$36,573	R	1.00	01/01/95	N	WAKE			PENDING DEPT. APPROVAL TO FILL
1212	17757755	ENVIRONMENTAL TECH III	65	$23,831	R	1.00	01/01/95	N	WAKE		Y	PENDING DEPT. APPROVAL TO FILL
1212	1785	ENVIRONMENTAL SPEC III	72	$32,016	R	1.00	01/01/95	N	WAKE			PENDING REALLOCATION
1212	17757755	ENVIRONMENTAL TECH III	65	$23,831	R	1.00	01/01/95	N	WAKE			PENDING DEPT. APPROVAL TO FILL

		DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES - VACANCY REPORT AS OF MAY 7, 1997										
Account	Center	Classification	P.G.	Budgeted Salary	Funding Source	FTE	Date Vacated	Supervisor (Y/N) (YES/NO)	County	SPAN CUT (Y/N)	LWOP (Y/N))	Explanation
1212	17707703	ENVIRONMENTAL ENGINEER I	73	$33,401	F	1.00	06/30/96	N	FORSYTH			PENDING REALLOCATION
1212	17757751	ACCOUNTING CLERK IV	59	$20,518	R	1.00	07/01/96	N	WAKE			PENDING REALLOCATION
1212	17757755	ACCOUNTING CLERK IV	59	$19,697	R	1.00	07/01/96	N	WAKE		Y	PENDING REALLOCATION
1212	17757751	ENVIRONMENTAL ENGINEER I	73	$35,952	R	1.00	07/01/96	N	WAKE			PENDING REALLOCATION
1212	17757751	ENVIRONMENTAL ENGINEER I	73	$37,087	R	1.00	08/02/96	N	WAKE			LWOP
1212	1785	ENVIRONMENTAL TECH II	63	$23,112	R	1.00	10/31/96	N	WAKE		Y	LWOP
1212	17757755	PROCESSING ASSISTANT IV	59	$20,258	R	1.00	12/31/96	N	WAKE			PENDING REALLOCATION
1212	17757755	OFFICE ASSISTANT III	57	$19,488	R	1.00	01/28/97	N	WAKE			RECOMMENDATION SUBMITTED
1212	17757755	ENVIRONMENTAL SPEC II	70	$30,889	R	1.00	02/01/97	N	IREDELL			RECOMMENDATION SUBMITTED
1212	17757755	ENVIRONMENTAL ENGINEER I	73	$37,458	R	1.00	02/27/97	N	IREDELL			INTERVIEWING
1212	11757755	OFFICE ASSISTANT III	57	$19,186	R	1.00	03/01/97	N	WAKE			INTERVIEWING
1212	1785	APPLICATIONS ANALYST PROG II	76	$42,056	R	1.00	03/10/97	N	WAKE			INTERVIEWING
1212	17757755	ENVIRONMENTAL ENGINEER II	75	$38,394	R	1.00	03/21/97	N	CUMBERLAND			INTERVIEWING
1212	17757755	ENVIRONMENTAL ENGINEER I	73	$35,064	R	1.00	03/21/97	N	CUMBERLAND			INTERVIEWING
1212	17757755	ENVIRONMENTAL ENGINEER I	73	$35,754	R	1.00	03/21/97	N	WAKE			PENDING DEPT. APPROVAL TO FILL
1212	17851212	CHEMIST III	76	$38,226	R	1.00	04/01/97	N	WAKE			PENDING DEPT. APPROVAL TO FILL
1212	17851212	CHEMIST III	76	$38,226	R	1.00	04/01/97	N	WAKE			PENDING DEPT. APPROVAL TO FILL
1212	1780	ENVIRONMENTAL TECH III	65	$26,049	R	1.00	04/15/97	N	WAKE			PENDING DEPT. APPROVAL TO FILL
1212	17707703	ENVIRONMENTAL ENGINEER I	73	$34,053	F	1.00	04/15/97	N	WAKE			PENDING DEPT. APPROVAL TO FILL
1212	17757755	ENVIRONMENTAL ENGINEER II	75	$39,151	R	1.00	04/16/97	N	BEAUFORT		Y	MEDICAL LEAVE
1212	17757755	ENVIRONMENTAL ENGINEER I	73	$33,996	R	1.00	04/21/97	N	IREDELL			PENDING DEPT. APPROVAL TO FILL
1212	1780	COMPUTING SUPPORT TECH II	63	$26,319	R	1.00	04/30/97	N	WAKE		Y	PENDING DEPT. APPROVAL TO FILL
1212	17757751	METEOROLOGIST	73	$35,064	R	1.00	04/30/97	N	WAKE			INTERVIEWING
		Total Receipt - Supported		**$939,024**		**30.00**						

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES - VACANCY REPORT AS OF MAY 7, 1997

Account	Center	Classification	P.G.	Budgeted Salary	Funding Source	FTE	Date Vacated	Supervisor (Y/N) (YES/NO)	County	SPAN CUT (Y/N)	LWOP (Y/N))	Explanation
WATER RESOURCES												
1211	1620-6201	ENVIRONMENTAL TECH III	65	$32,727	G	1.00	02/07/96	N	WAKE	Y		
1211	1620-6201	ENVIRONMENTAL ENG SUPV II	77	$44,530	G	1.00	01/13/97	Y	WAKE			INTERVIEWING
1211	1620-6201	ACCOUNTING TECH III	63	$24,478	G	1.00	03/01/97	N	WAKE			RECOMMENDATION SUBMITTED
1211	1620-6201	DATA ENTRY SPEC IALIST	58	$19,882	G	1.00	05/08/97	N	WAKE		Y	LWOP
		Total - Appropriation-Supported		**$121,617**		**4.00**						
1212	1620-6205	HYDROGEOLOGIST II	74	$35,905	R	1.00	05/30/97	N	WAKE		Y	LWOP
		Total Receipt - Supported		**$35,905**		**1.00**						
COASTAL MANAGEMENT												
1211	1625-6251-0097	COMMUNITY PLANNER I	70	$31,235	G	1.00	07/01/95	N	CARTERET	Y		
1211	1625-6251-0097	COAST MGMT FIELD REP III	73T	$36,165	G	1.00	07/31/96	N	BEAUFORT			FILLED
1211	1625-6251-0097	PROGRAM ASSISTANT V	61	$20,734	G	1.00	08/12/96	N	WAKE			RECOMMENDATION SUBMITTED
1211	1625-6251-0097	COASTAL MNGMT REP	NG	$40,000	G	1.00	04/01/97	N	NEW HAN			INTERVIEWING
		Total - Appropriation-Supported		**$128,134**		**4.00**						
1212	1625-6252-1807	COASTAL MGM PROG SUP	74T	$48,273	F	1.00	05/31/96	N	WAKE			PENDING RECLASSIFICATION
1212	1625-6256-1807	ENVIRONMENTAL SPEC II	70	$30,917	F	1.00	12/06/96	N	WAKE			HARD TO RECRUIT
1212	1625-6252-1807	ACCOUNTING CLERK IV	59	$21,290	F	1.00	01/01/97	N	WAKE			RECOMMENDATION SUBMITTED
		Total Receipt - Supported		**$100,480**		**3.00**						

		DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES - VACANCY REPORT AS OF MAY 7, 1997										
Account	Center	Classification	P.G.	Budgeted Salary	Funding Source	FTE	Date Vacated	Supervisor (Y/N) (YES/NO)	County	SPAN CUT (Y/N)	LWOP (Y/N))	Explanation
LAND RESOURCES												
1211	1735-7351	OFFICE ASSISTANT III	57	$17,717	G	1.00	02/07/97	N	WAKE			RECOMMENDATION PACKAGE SUBMITTED
1211	1740-7416	ENVIRONMENTAL TECH V	69	$30,188	G	1.00	05/01/97	N	BEAUFORT			READY TO ADVERTISE
		Total - Appropriation-Supported		**$47,905**		**2.00**						
1212	2740	ENVIRONMENTAL ENG I	73	$32,586	R	1.00	07/01/96	N	WAKE			FILLED
		Total Receipt - Supported		**$32,586**		**1.00**						
RADIATION PROTECTION												
1211	1755-7551	RADIATION PROT SERV CHIEF	81	$76,082	G	1.00	12/31/96	Y	WAKE			FILLED
1211	1755-7556	ENVIRONMENTAL ENG II	75	$38,585	G	1.00	03/20/97	N	WAKE			EMPLOYMENT OFFER MADE
		Total - Appropriation-Supported		**$114,667**		**2.00**						
1212	1755-7551	ENVIRONMENTAL TECH IV	67	$26,433	R	1.00	02/28/97	N	WAKE			RECOMMENDATION SUBMITTED
		Total Receipt - Supported		**$26,433**		**1.00**						
		Total - Appropriation-Supported		**$5,340,824**		**183.95**						
		Total Receipt - Supported		**$5,458,032**		**186.07**						
		Department Total		**$10,798,856**		**370.02**						

Minutes

House Appropriations Sub-Committee on

Natural and Economic Resources

May 20, 1997 - 8:30 a.m.

The House Appropriations Sub-Committee on Natural and Economic Resources met on Tuesday, May 20, 1997 at 8:30 a.m. in Room 605 of the Legislative Office Building. Representative Jim Carpenter, House Co-Chair, called the meeting to order at 8:35 a.m. Members present were Representatives Carpenter, Mitchell, Baker, Owens, Culp, Fox, Tolson, Hall, Weatherly and Wilkins.

Rep. Carpenter announced that the committee would review changes made in the draft report, followed by a report on the items not funded by the Senate, and finally an overview of block grant funding. Staff began with an overview of changes made in the draft report from the previous day's meeting (see attached handout), reviewing items on page 6, 11, and 12.

Rep. Culp inquired about one of the Span of Control adjustments, particularly a Soil Survey Supervisor position in Asheville and staff responded that this position had not been eliminated. Rep. Weatherly asked if any of the chief positions were being relieved and staff responded that all those that had been highlighted in the meeting were supervisory positions. Rep. Fox then inquired if an additional $80,000 was still to be determined and staff responded that this had already been included in the budget. Rep. Hall asked about the District 3 coordinator position and staff indicated that this position was not currently in the budget. Rep. Hall noted that he believed the committee should look more closely into this and Rep. Wilkins voiced his agreement. Rep. Carpenter then suggested that perhaps the district lines should be redrawn into seven districts, however Rep. Culp responded that this might not be the most feasible solution. Rep. Hall commented that this district involved eleven counties. Henry ~~Aldridge~~ Lancaster, Deputy Director of the Department of Environment, Health and Natural Resources, spoke on this matter and commented that redrawing the districts was possible. Mr. Dewey Botts, with the Soil and Water Conservation Division, responded that the possibility had been considered, but because of increasing federal regulations, more rather than fewer districts were needed to effectively comply. Rep. Weatherly asked about the effect of this on the problem of stabilization of stream banks, and if this could make the problem worse. Mr. Botts replied that it could and that that the western end of the state had complained about receiving less resources than the east because of the problems with hogs and the Neuse River Basin, but with a recently approved best management practice there would be additional focus on stream bank stabilization in the western third of the state, as well as a Clean Water project for the Neuse River.

Staff continued with the changes in the draft of the budget on pages 14, 15 and 19. Upon completion of the overview of these changes, Jennifer Herrera responded to an earlier request by the committee to review the items the Senate had funded that the House had not. She reported that there was not a written copy of this report as yet, but orally reviewed the items for the committee (see attached handout of the Senate budget). Rep. Wilkins then asked if Item 40 was the funding which dealt with aquifers and staff confirmed that it was. Staff continued with the overview. Rep. Weatherly then spoke about the level of appropriations for a particular program called the Children's Vision Screening Program, which the Senate had eliminated funding for and the House had funded at half the level of the Governor's recommended budget. He commented that the current level of appropriations would not be adequate to provide for all the schools in the state. Dr. Levine, the State Health Director, was asked by the committee to comment on the program and he responded that this was a needed program which the pilot had shown to be effective and that more funding was needed to adequately provide for all the schools. Rep. Weatherly related a personal story about how helpful the program had been and commented that he believed that the program was a needed one. Rep. Fox commented that one county in his district had been a part of the pilot program and that they had been very pleased with the results. Rep. Hunter concurred and agreed that this was a good program which was needed across the state. Rep. Culp inquired as to what the cost of the program would be and stated that some information he had suggested it would be $600,000. Dr. Levine noted that the request was $419,000. Rep. Mitchell commented that this program's funding was cut because of budget shortfalls in other areas and that if the funding could be found by cutting other areas that the committee would be happy to fund it. Rep. Hall then inquired as to who operated this vision program. Rep. Carpenter noted that the basis of the program was the volunteer element and the funding was used to provide training. Rep. Hall then commented that he thought vision screening programs were already in place, and asked what exactly this program checked for. Dr. Levine was asked to further comment on the structure of the program and asked the committee to hear from Jennifer Greene, the director of Prevent Blindness, the organization which had developed the program. She explained that the current program had many problems because the volunteers and teachers did not have the training to adequately test the children. She described how the program used paid part-time positions to train volunteers and teachers in the appropriate way to identify eye defects using the same type of test as before. She also commented on the effectiveness of the pilot program. Rep. Hall inquired as to whether local optometrists could not be used to obtain this information on a volunteer basis. He commented that he felt the program was unnecessary. Rep. Carpenter then asked Ms. Greene to explain the costs of the program. She explained that based on the cost of the pilot used in the previous year, the money would be used for materials such as e-charts and training manuals, as well as sixteen part-time trainers who would then go into the schools and train teachers and volunteers to recognize symptoms that might indicate the need for further testing. Rep. Hall then commented that he believed that this program was unnecessary because there were already Social Service programs in place to take care of this problem which would have children's eyes examined and buy glasses for them. Rep. Tolson disagreed, stating that he believed there were more long-term benefits from early prevention. Rep. Fox

added that the volunteers in his district were very pleased with their training. Rep. Weatherly commented that he believed that this was an excellent way to help prepare students for learning. Rep. Baker then asked Ms. Greene what was the length of work, pay and qualifications for the trainers. Ms. Greene replied that they worked for a nine week length of time in September and October, four days a week, at $13 per hour. She stated that the people who had worked in the pilot program had good qualifications, often with backgrounds in nursing or education. Rep. Baker then asked if it was possible to get volunteers to do the same thing. Ms. Greene replied that very little of the budget actually want to staff funding and they obtained more uniform results through the structure of the program. Rep. Baker then inquired what percentage of the total budget for the program was represented by the request for state funding. Ms. Greene replied that the operation budget was approximately $600,000 at the present time and so the funding would represent about 40%.

Staff then continued with the overview. Rep. Hall questioned Item 63, and inquired whether a provision could be added to the funding to require the study of the Cape Fear river from its source. Rep. Mitchell replied that it was not in the House budget because it was anticipated that these projects would apply for the Clean Water Trust fund and so would receive funding from that source. Staff continued with overview. Rep. Hunter asked if the House intended to direct the Department to use existing funds for the Environmental Permits Information Center as the Senate had. Rep. Carpenter noted that this would be dealt with in the special provisions report. Staff then completed the report and Rep. Carpenter announced that the committee had $59,989 in recurring funds and $135,525 in non-recurring money that had not yet been spent.

Rep. Fox then suggested that Item 99, the Textile Museum, be eliminated and the $219,000 be allocated for the vision screening program. Rep. Weatherly also commented that the museum was an item that could wait and was a low priority. Rep. Hunter then inquired if the newly available funds were included in this estimate. Rep. Carpenter announced that these funds were not included and were not yet confirmed. Rep. Culp then asked about the funding for the Special Olympics and was informed that it was still in the budget. Rep. Fox then suggested that $135,000 be added to the vision screening program and that it be switched to recurring. Rep. Baker asked Ms. Greene if there was a full-time coordinator for the program and what the salary for the position was. Ms. Greene replied that there was a full time coordinator and the salary was $36,000. Rep. Baker then questioned Ms. Greene as to what all the money was spent for and she explained that half of the funding went for materials . When questioned if these could be donated by various eye companies, Ms. Greene explained that while they had some donated items and had solicited for them, they primarily had to purchase the materials. Rep. Baker then asked how many total schools would be involved and Ms. Greene replied that while she did not know the exact number of schools, but it would be all elementary and middle schools, and they expected to train about 5,000-6,000 people with the materials. Rep. Mitchell asked how the school nurses would be integrated into this process and whether there were nurses in each school. Dr. Levine explained that North Carolina was below the national average and did not have a nurse in each school, but that

they were integrated into the program whenever possibly. Rep. Mitchell then asked about if the county nurses could be used in this program. Ms. Greene responded that while they did work with the county nurses whenever possible, they did not have time for the initial screening themselves. Rep. Carpenter then asked if the county health department could operate such a program. Ms. Greene explained that they did not see enough of the students to effectively diagnose them. Rep. Carpenter then asked if there would be an overlap between these programs and the services provided. Ms. Greene replied that while the services provided by Smart Start were very necessary, because vision changed so rapidly in a child's early years they needed to continually be checked over time. Rep. Weatherly then commented that this program had a great advantage because it trained the teachers who were with the students constantly and so could better tell when changes in vision occurred. Rep. Baker asked Dr. Levine if it would be possible for his department to do this program and Dr. Levine replied that they could not do it as well or as cheaply. Rep. Hall then commented that the students would still have to go to the optometrists and he did not support funding the program.

Rep. Carpenter then announced that there was not enough time to discuss the block grants during this meeting and so the committee would resume 15 minutes after session in the afternoon. The committee then adjourned at 9:40 a.m.

Respectfully submitted,

Rep. Jim Carpenter
House Co-Chair

Kara McCraw
Committee Clerk

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Natural and Economic Resources 5-20-97 AM

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Sallie Walters	OSBM
JW Reed	"
Johnny Gray	"
David Simmons	Zeb Alley, PA
Katie Early	NC REAL Enterprises
[illegible]	DEHNR - Solid Wst.
[illegible]	STACK 6
[illegible]	NC Council of Women
Charlotte Jessee	DEHNR
Jim Davis	OSBM
Ed Burt	Division of Radiation Protection
Cuby Weaver	NCCCS
John Sheat	DEHNR / Lab Division
Alan Klimek	DEHNR / DAQ
Roger Schecter	DEHNR / Coastal
Leslie Brown	DEHNR / DHP
Steve Tedder	DWP
Joe McClees	TDA
Sandra Lowe	Pesticide Board
Travis Porter	" / " "
John Morris	EHNR
Cathey Cottle	EHNR
Sheila Chavis	State Planning
KATE PLOSICH	NC ACTS
BUCK LATTIMORE	NC INDUSTRIAL COMMISSION
BOB HAVELY	PREVENT BLINDNESS
Jennifer Green	Prevent Blindness
[illegible]	[illegible]

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Natural and Economic Resources 5-20-97 AM

Name of Committee | Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
	DENR
Phillip R. Wilson	Commerce
Allen Hyatt	DEHNR-MCN
Barry Goldstein	DEHNR-MCN
Ed Norman	DEHNR-EH
Gerry Hancock	EGHS
Ken Levene	DEHNR
Ted Tilley	Commerce
Angie Harris	"
Bill McNeil	"
	NCFB
Peter David	NCDA
Maeveen Allsbrook	NCDA
Judy Inman	NC American Water Works Assoc.
Patrick Yarney	LLPP/APPCNC
Adam Searing	NC Health Access Coalition
Linda Gunn	REDC
Bonnie Alexander	NCCDF
Julian D. Brown	NCIMED
	TDA
Ted McKinney	EHNR/DPR
Linda McNeill	EHNR (BPA)
Jay Smith	EHNR
Mary Greene	DEHNR
Dan Hipp	DEHNR
John Stanford	DOC
Dennis Bott	DEHNR

House Subcommittee on Natural and Economic Resources

DRAFT

Housing Finance Agency

GENERAL FUND

	FY 97-98		FY 98-99
Recommended Continuation Budget	**$2,300,000**		**$2,300,000**
Legislative Changes			
Housing Finance Agency			
1 Housing Trust Fund			
Support for the Housing Trust Fund.	$5,000,000	NR	
Total Legislative Changes	**$5,000,000**	**NR**	
Total Position Changes			
Revised Budget	**$7,300,000**		**$2,300,000**

Agriculture

	GENERAL FUND			
	FY 97-98		FY 98-99	
Recommended Continuation Budget	**$49,480,730**		**$49,688,983**	
Legislative Changes				
Agricultural Finance Authority				
2 Reduce General Fund Appropriation Reduce the General Fund appropriation to the Authority by utilizing the interest income earned by the Farm Reserve Loan Fund for the Authority's operating expenses.	($25,000)	R	($50,000)	R
Agronomic Services				
3 Agronomic Advisory Services Funds to increase waste disposal and water management services provided by the Agronomics Division to meet the demand for increased technical assistance from regional agronomists and section chiefs.	$314,767 $217,151 7.00	R NR	$445,117 8.00	R
Food and Drug Protection				
4 Food Related Facilities Funds Funds to continue support for inspection of food processing facilities, food storage warehouses, retail stores, and medicated livestock-feed manufacturing facilities.	$113,994 4.00	R	$113,994 4.00	
5 Environmental Protection in Pesticide Applications Funds to increase compliance assistance to pesticide applicators and farmers.	$179,039 $23,100 3.00	R NR	$179,039 3.00	R
Maritime Museum				
6 Transfer Maritime Museum to Cultural Resources Transfer positions, operating support, equipment, property, and other assets of the North Carolina Maritime Museum to the Department of Cultural Resources.	($792,227) -17.25	R	($786,713) -17.25	R

	FY 1997-98	FY 1998-99
Requirements	$ 792,527	$ 787,013
Receipts	($ 300)	($ 300)
Appropriation	$ 792,227	$ 786,713

Plant Industry - Plant Protection				
7 Bee Regulatory Support Funds for expanded regulatory support to protect the North Carolina bee and honey industry from parasitic mites, bee disorders and the Africanized bee.	$170,212 $45,894 2.00	R NR	$170,212 2.00	R

Total Legislative Changes	**($39,215)**	**R**	**$71,649**	**R**
	$286,145	**NR**		
Total Position Changes	-1.25		-0.25	
Revised Budget	**$49,727,660**		**$49,760,632**	

Labor

GENERAL FUND

	FY 97-98	FY 98-99
Recommended Continuation Budget	**$16,068,855**	**$15,986,184**

Legislative Changes

Boiler and Pressure Vessel Bureau

8 Expand Inspection Staff with Receipt Support

Adds four boiler and pressure vessel inspection staff to conduct safety inspections in accordance with inspection intervals set by the Commissioner. Funding support will be provided with increased receipts generated by inspections conducted with these additional positions.

	FY 1997-98	FY 1998-99
Requirements	$ 211,316	$ 196,316
Receipts	(211,316)	(196,316)
Appropriation	0	0

Elevator and Amusement Device Bureau

9 Expand Inspection Staff with Receipt Support

Adds four elevator inspection staff and one administrative support position to conduct safety inspections -- at six month intervals -- of all elevators in the state. Funding support will be provided with increased receipts generated by these positions assisting in the increased frequency of elevator inspections from an average of every 10 months to every 6 months.

	FY 1997-98	FY 1998-99
Requirements	$ 248,061	$ 228,361
Receipts	(248,061)	(228,361)
Appropriation	0	0

Information Office

10 1-800-LABOR-NC Operating Support	$34,825	R	$34,825	R
Provides an additional position and operating support to answer incoming calls on the Department's toll-free telephone number.	$6,000	NR		
	1.00		1.00	

OSHNC Division

11 Transfer Enforcement Positions to Federal Support	($192,546)	R	($192,546)	R
Shifts six OSH Enforcement positions (3 full-time equivalents) and operating support from 100% state funding to 50% federal and 50% state funded support.	-3.00		-3.00	

Total Legislative Changes	**($157,721)**	**R**	**($157,721)**	**R**
	$6,000	**NR**		
Total Position Changes	-2.00		-2.00	
Revised Budget	**$15,917,134**		**$15,828,463**	

Environment, Health, and Natural Resources

GENERAL FUND

	FY 97-98		FY 98-99	
Recommended Continuation Budget	**$253,269,888**		**$252,502,338**	
Legislative Changes				
(2.00) Environmental Education				
12 Environmental Education Grant Fund				
Funds to provide grants to schools, community organizations and environmental education centers to develop environmental education libraries and to promote environmental education activities.	$200,000	NR		
(2.00) Forest Resources				
13 Reduce equipment	($200,000)	R	($200,000)	R
Reduce communications equipment budget.				
14 Defer Equipment Replacement	($500,000)	R	($500,000)	R
Defer replacement of certain property, plant and equipment items in forestry field operations.				
15 Increase Receipts	($120,000)	R	($120,000)	R
Increase receipts collected from counties. Counties share in the cost of forestry operations with a match based on the tax base of the county.				
16 Assistant County Ranger	$19,028	R	$19,028	R
Funds for an Assistant County Ranger in Randolph County.	$21,900	NR		
	1.00		1.00	
17 Operation of Amphibious Water Scooping Tanker	$706,950	R	$706,950	R
	$81,750	NR		
Operating funds for personnel, equipment, maintenance, and parts associated with the purchase of an amphibious water scooping tanker aircraft for fire control statewide.	4.00		4.00	
18 District 12 Helicopter Funds				
Funds to cover the costs associated with preparing a federal surplus helicopter for fire control in District 12.	$282,560	NR		
19 Equipment Funds				
Increase equipment funds for FY 1997-98.	$500,000	NR		
20 Communications Equipment				
Increase communications budget for FY 1997-98.	$200,000	NR		

21 Rural Community Fire Protection Program Funds to provide both fire training and assistance with the purchase/loan of fire equipment and supplies for rural fire departments.	$100,000 1.00	R	$100,000 1.00	R
22 Museum of Forestry Grant-in-aid to Columbus County for planning and developing a Museum of Forestry.	$250,000	NR		
(2.00) Marine Fisheries				
23 Moratorium Steering Committee Eliminate funding for the Fisheries Moratorium Steering Committee, which submitted its final report to the Joint Legislative Commission on Seafood and Aquaculture in October 1996.	($25,000)	R	($25,000)	R
24 Reduce Marine Fisheries Patrol Equipment Reduce equipment budget to reflect reduced equipment needs associated with the Marine Fisheries law enforcement expansion request funded in 1995, in accordance with the five year fiscal estimate submitted by the division.	($187,321)	R	($187,321)	R
25 Operating Reserve for Patrol Vessel Fund vessel operating reserve for the 1998-99 fiscal year. The reserve is for a patrol vessel funded with a 1996-97 capital improvement appropriation and was omitted from the continuation budget by error.			$97,436	R
26 Marine Fisheries Commission Funds to establish standing advisory committees and permanent staff for the Marine Fisheries Commission. Funds contingent upon passage of HB 1097.	$247,563 $17,000 2.00	R NR	$247,563 2.00	R
27 Information Technology and Data Management Funds Funds to establish advanced computer based technologies to modernize and consolidate existing computerized information management, and expand computer based data management and analysis capabilities.	$155,000 $500,000 2.00	R NR	$155,000 2.00	R
(2.00) Museum of Natural Science				
28 Grassroots Science Museums Funds to add two new museums to the Grassroots Science Program: Museum of Coastal Carolina Iredell County Children's Museum	$100,000	R	$100,000	R
(2.00) Parks and Recreation				
29 Environmental Education Learning Experiences Funds to provide supplies and materials for Environmental Education Learning Experiences (EELE) programs at state parks.	$30,000	NR		

(2.00) Soil and Water Conservation

30 Agriculture Cost Share for Animal Waste Management

Additional funds for the Agriculture Cost Share Program for Nonpoint Source Pollution Control to assist existing farming operations in obtaining approved animal waste management plans.

$2,000,000 NR

31 Agriculture Cost Share County Technical Assistance

Additional funds to reimburse counties up to 50% of the costs of providing technical assistance in the planning, design and installation of agricultural BMPs to improve water quality.

$300,000 NR

32 Soil and Water District Travel Funds

Funds for local Soil and Water Conservation Districts for travel and per diem expenses of district supervisors.

$150,000 NR

(3.00) Air Quality

33 Increase Receipts

Increase the budgeted amount of program receipts and reduce the General Fund appropriation by an equal amount.

($200,000) R ($200,000) R

(3.00) Land Resources

34 Dam Safety Inspection and Assistance

Funds to establish additional positions to increase the number of dam inspections and to provide technical assistance to owners in the areas of design and construction planning, maintenance, repairs, and emergency action plans.

$255,336 R $255,336
$19,000 NR
5.00 5.00

(3.00) Water Quality

35 Wastewater Treatment System Operator Training

Funds to provide training, certification and continuing education courses for wastewater treatment system operators for one year.

$474,795 NR
5.00

36 Basinwide Data Management System Development

Funds for a program delivery initiative to focus on consolidating all existing databases and facilitating access to environmental programs and data. Support staff and equipment needed to maintain the system will be phased in.

$260,846 R $375,153 R
1.00 3.00

(4.00) Environmental Health

37 Assistance to Local On-Site Wastewater Programs

Funds to provide additional training, technical assistance and regulatory oversight to local programs in the areas of plan review, septic tank design, manufacture, installation and performance.

$226,212 R $226,212 R
$23,800 NR
4.00 4.00

38 Support for Local Environmental Health Programs	$236,935	R	$236,935	R
Funds to provide training, continuing education and technical assistance to local environmental health specialists performing food, lodging and institution inspections, and other regulatory activities to ensure the sanitation and safety of swimming pools, spas and tatoo artists.	$13,075 4.00	NR	 4.00	
39 Food Sanitation Training Funds				
Funds to provide training and continuing education to persons who conduct food and lodging inspections for county health departments.	$100,000	NR		
40 Childhood Lead Exposure Control	$210,879	R	$210,879	R
Funds to expand the state's Childhood Lead Poisoning Prevention Program to emphasize compliance with maintenance standards to minimize lead hazards. Funds contingent upon passage of SB 806.	$26,200 3.00	NR	 3.00	
(4.00) Epidemiology				
41 Alcohol Chemical Testing Certification Program	($200,000)	R	($200,000)	R
Reduce General Fund support for the alcohol chemical testing training and certification program to more accurately reflect actual expenditures.				
42 Rabies Detection and Prevention Program	$50,000	R	$50,000	R
Funds to provide additional professional consultation and education services to help prevent the spread of rabies.	1.00		1.00	
(4.00) Health Promotion				
43 Heart Disease & Stroke Prevention Awareness	$170,500	R	$170,500	R
Funds to develop and maintain a database of existing cardiovascular disease related services and to conduct a statewide media campaign to raise awareness about cardiovascular disease, as recommended by the Heart Disease and Stroke Prevention Task Force established in 1995.	$29,500	NR		
44 Cancer Control Plan Implementation Funds	$250,000	R	$250,000	R
Funds to begin implementation of the North Carolina Cancer Control Plan prepared by the Advisory Committee on Cancer Coordination and Control.	$100,000	NR		
45 State Games of North Carolina				
Funds for the Governor's Council on Physical Fitness to support the State Games.	$150,000	NR		
(4.00) Laboratory Services				
46 Rabies Laboratory Analysis Funds	$79,630	R	$79,630	R
Funds for additional personnel, supplies and equipment to enhance rabies testing performed by the State public health lab.	$29,150 2.00	NR	 2.00	

(4.00) Maternal and Child Health

47 Maternal Outreach Worker Program Funds to expand the maternal outreach worker program by providing funding for 22 additional home visitors employed by local service providers.	$600,000 1.00	R	$600,000 1.00	R
48 Children's Vision Screening Program Funds to support a statewide training and certification program for school-based vision screeners. The department will contract with Prevent Blindness, Inc. to implement the program.	$200,000	NR		
49 Cochlear Implants Funds for grant to UNC Board of Governors for the Carolina Communicative Disorders Program at the School of Medicine at UNC-Chapel Hill to provide cochlear implants and other communication devices for hearing impaired children.	$230,000	NR		
50 UNC Craniofacial Center Funds for grant to UNC Board of Governors for the UNC Craniofacial Center at the School of Dentistry at UNC-Chapel Hill to provide diagnostic and treatment services for children with craniofacial anomalies.	$343,000	NR		
51 Non-Medicaid Maternity Care Coordination Funds to provide case management services to women who do not meet Medicaid eligibility requirements. This item restores a reduction taken in 1996.	$170,900	R	$170,900	R

(5.00) Reserves and Special Funds

52 Water Conservation and Infrastructure District Nonrecurring funds appropriated for the District by the 1995 General Assembly were not eliminated from the 1997-99 continuation budget in error.	($500,000)	R	($500,000)	R
53 National Committee for the New River, Inc. Grant-in-aid to the National Committee for the New River, Inc. for riparian easement acquisition.	$70,000	NR		
54 State Parks Cleanup Reserve Reserve for cleanup and repairs at state parks associated with 1996 hurricane and ice storm damage.	$1,500,000	NR		
55 Maintenance of Existing Water Quality Programs Reserve to maintain the existing level of staff in the Water Quality Section to continue water quality programs and activities at the current level of service for one year.	$1,000,000	NR		
56 Healthy Start Foundation Funds to provide statewide planning, promotion, and coordination for the First Step Campaign and to support other programs and activities aimed at reducing infant mortality.	$650,000	NR		

57 Core Sound Use Mapping

Funds to develop a human use map and user coordination plan for Core Sound.		$100,000	NR	

(6.00) Department Wide

58 Salary/Span of Control/ Operating Reductions		($2,300,453)	R	($2,300,453)	R
Represents the Department's allocated share of this overall reduction:		-33.94		-33.94	
Office of Controller					
Salary and fringes for 1.00 FTE	$27,541				
General Services Office					
Salary and fringes for 1.00 FTE	$25,561				
Information Technology Services					
Salary and fringes for 1.00 FTE	$39,669				
Applications Analyst Prog. Specialist (.19 FTE Vacant)	$10,782				
Personnel/Human Resources					
Salary and fringes for 1.00 FTE	$47,026				
Public Health Communication					
Salary and fringes for 1.00 FTE	$45,380				
Local Health Services					
Salary and fringes for 1.00 FTE	$31,602				
Environmental Health					
Salary and fringes for 1.00 FTE	$24,286				
Dental Health					
Salary and fringes for 1.00 FTE	$97,175				
State Center for Health Statistics					
Salary and fringes for 1.00 FTE	$26,682				
Maternal and Child Health					
Salary and fringes for 7.00 FTEs	$364,633				
Cystic Fibrosis Purchase of Care funds	$148,699				
Nutrition Program Supervisor (.30 FTE Vacant)	$ 11,329				
Health Promotion					
Salary and fringes for 3.00 FTEs	$138,092				
Marine Fisheries					
Salary Reserve	$13,861				
Oyster Rehabilitation operating funds	$133,655				
Soil and Water Conservation					
Equipment, supplies & travel funds	$56,875				
Forest Resources					
Communications Equipment	$140,000				

Office of Environmental Education	
Project Tomorrow grants and contracts	$25,000
Aquariums	
Supplies and materials	$41,777
Museum of Natural Science	
Temporary Wages	$50,000
Natural Science Education Curator (1.00 FTE Vacant)	$56,524
Parks and Recreation	
Increase receipts	$140,000
North Carolina Zoo	
Salary and fringes for 3.55 FTEs	$85,000
Air Quality	
Salary and fringes for 1.00 FTE	$19,105
Water Quality	
Salary and fringes for 3.00 FTEs	$105,995
Salary Reserve	$69,625
Wetlands Restoration operating funds	$14,449
Coastal Management	
Salary and fringes for 1.00 FTE	$25,068
Land Resources	
Salary and fringes for 1.00 FTE	$43,279
Operating support	$12,124
Water Resources	
Salary and fringes for 1.00 FTE	$29,971
Pollution Prevention & Environmental Assistance	
Salary and fringes for 1.00 FTE	$19,800
Operating support	$ 2,332
Radiation Protection	
Eliminate receipt supported Deputy Division Director position, and shift portion of funding for Division Director position from General Funds to receipts. (.90 FTE)	$80,900
Contracts	$25,094
Waste Management	
Salary and fringes for 1.00 FTE	$58,566
Operating support	$12,996
TOTAL REDUCTIONS	$2,300,453

Total Legislative Changes	**($392,995)**	**R**	**($181,252)**	**R**
	$9,591,730	**NR**		
Total Position Changes	2.06		-0.94	
Revised Budget	**$262,468,623**		**$252,321,086**	

Commerce

	GENERAL FUND			
	FY 97-98		FY 98-99	
Recommended Continuation Budget	**$37,221,648**		**$37,240,885**	
Legislative Changes				
Administrative Services				
59 Budget Indirect Cost Receipts	($52,000)	R	($52,000)	R
Increase the budgeted amount of indirect costs receipts and reduce General Fund appropriation by an equal amount.				
Business and Industry Division				
60 Regional Office Staff Support	$22,100	R	$26,000	R
Provides an administrative support position for the Piedmont Triad Regional Office. The effective date of the position is September 1, 1997.	$5,900 1.00	NR	 1.00	
61 Marketing Missions and Trade Shows	$80,000	R	$80,000	R
Increases funding support for the Division's participation at industry trade shows and for conducting national marketing missions.				
62 Fund Industrial Recruitment Competitive Fund				
Provides nonrecurring funding support for the Industrial Recruitment Competitive Fund.	$1,000,000	NR		
Commission on Workforce Preparedness				
63 Eliminate General Fund Support	($103,984)	R	($104,144)	R
Eliminates General Fund support to the Commission on Workforce Preparedness. This reduction abolishes the position of Executive Director and transfers to full receipt support an Administrative Assistant position currently supported partially with General Funds.	-1.15		-1.15	
Department Wide				
64 Salary Reductions/Span of Control	($672,485)	R	($672,485)	R
Represents the Department's allocated share of this overall reduction:	-17.00		-17.00	
Administrative Services Salary and fringes for 1.00 FTE $99,038				
Economic Development Program Salary and fringes for 2.00 FTEs $71,904				
Business and Industry Division Salary and fringes for 1.00 FTE $76,023				

International Trade Division
Salary and fringes for 2.00 FTEs $77,862

Division of Energy
Salary and fringes for 1.00 FTE $42,029

Division of Community Assistance
Salary and fringes for 1.00 FTE $54,264

Division of Travel and Tourism
Salary and fringes for 1.00 FTE $24,065

Industrial Commission
Salary and fringes for 8.00 FTEs $227,300

TOTAL REDUCTIONS $672,485

Economic Development Program

65 Reduce Support for Data Processing & Subscriptions ($29,000) R ($29,000) R
Reduce funding support for data processing services, subscriptions, and membership dues.

Executive Aircraft

66 Reduce Repair Funds ($188,000) R ($188,000) R
Reduce funding support for aircraft repair.

67 Additional Funds for Lease $350,000 R $350,000 R
Additional funds for aircraft lease.

Film Office

68 Reduce Travel ($25,000) R ($25,000) R
Reduce budget for board and nonemployee transportation.

Global TransPark Marketing

69 Reduce Support for Global TransPark Marketing ($150,000) R ($150,000) R
Reduce General Fund transfer from the Department of Commerce to the Global TransPark Authority in the Department of Transportation for marketing the Global TransPark.

Industrial Commission

70 Budget Hearing Cost Receipts ($202,000) R ($202,000) R
Increase the budgeted amount of the Commission's Hearing Cost receipts and reduce General Fund appropriations by an equal amount.

71 Case Management System $638,571 R $638,571 R
Provides funds for operating and maintenance costs, staff support to maintain hardware and software, and to develop system applications. $17,700 NR
3.00 3.00

72 Temporary Positions

Provides nonrecurring funds to support temporary positions to assist with the Commission's backlog of claims, hearings, and appeals.

$100,000 NR

Industrial Finance Center

73 Fund Utility Account (Industrial Development Fund)

Provides nonrecurring funding support for economic development related water and sewer infrastructure projects in tier one enterprise counties.

$500,000 NR

74 Increase Operating Support

Provides additional operating support for the Industrial Finance Center.

$50,000 R
$20,000 NR

$50,000 R

International Trade

75 Global Offices

Funds to contract with representatives to expand the division's foreign offices into 4 new and emerging markets in and around South Africa, the United Kingdom, South America, and the Middle East.

$300,000 R

$300,000 R

76 Foreign Trade Shows

Increase recurring funding for trade shows and missions to expose small and medium sized companies to the international marketplace.

$200,000 R

$200,000 R

77 International Trade Specialists

Increase the number of international trade specialists to enhance the state's marketability to potential customers in "Big Emerging Markets" (BEM). The effective date of these positions is September 1, 1997.

$180,736 R
$12,000 NR
2.00

$196,044 R
2.00

NC Alliance for Competitive Technologies

78 Recurring Funding Support to Continue Operations

Provides recurring state funding support to replace three-year federal grant and matching nonrecurring state funding support that will expire at the end of fiscal year 1996-97. Funding will allow the North Carolina Alliance for Competitive Technologies to continue operation as a state agency.

$375,000 R
3.00

$375,000 R
3.00

Reserves and Transfers

79 Reduce Support for the Regional Commissions

Reduces grant-in-aid support for the seven Regional Economic Development Commissions from $4.68 million to $4.275 million.

($405,000) R

($405,000) R

80 Special Olympics 1999 World Summer Games

Nonrecurring funds to support the Special Olympics 1999 World Summer Games.

$500,000 NR

Travel and Tourism

81 Budget Additional Receipts Increase the amount of budgeted receipts and reduce General Fund appropriation by an equal amount.	($12,000)	R	($12,000)	R
82 Advertising Funds Expand current promotional advertising funds and associated expenses to promote North Carolina as a travel destination.	$1,000,000	NR		
83 International Marketing Funds to continue and expand the promotion of North Carolina as a travel destination in the international arena.	$1,000,000	NR		
84 1-800-VISIT-NC Additional funds for the tourism hotline operated at Women's Prison.	$250,000	NR		
85 Rural Tourism Development Funds Funds to support the Rural Tourism Development Grants program.	$100,000	NR		
Total Legislative Changes	**$356,938** **$4,505,600**	R NR	**$375,986**	R
Total Position Changes	-9.15		-9.15	
Revised Budget	**$42,084,186**		**$37,616,871**	

State Aid to Non-State Entities

	GENERAL FUND			
	FY 97-98		FY 98-99	
Recommended Continuation Budget	$1,475,000		$1,475,000	
Legislative Changes				
Grants-in-Aid				
86 Land Loss Prevention Project Eliminate recurring appropriation for the Land Loss Prevention Project and defer consideration to expansion.	($275,000)	R	($275,000)	R
87 Coalition of Farm and Rural Families Eliminate recurring appropriation to the Coalition of Farm and Rural Families and defer consideration to expansion.	($145,000)	R	($145,000)	R
88 Institute of Minority Economic Development Eliminate recurring appropriation and defer consideration to expansion.	($780,000)	R	($780,000)	R
89 North Carolina Minority Support Center Eliminate recurring appropriation and defer consideration to expansion.	($275,000)	R	($275,000)	R
90 Land Loss Prevention Project Funds to provide free legal representation to low-income, financially distressed farmers.	$300,000	NR		
91 Coalition of Farm and Rural Families Funds to foster economic development within the state's rural farm communities by offering marketing and technical assistance to small and limited resource farmers.	$250,000	NR		
92 Institute for Minority Economic Development Funds to foster economic development within the state through policy analysis, information and technical assistance, resource expansion, and support of community-based initiatives.	$800,000	R	$800,000	R
93 North Carolina Minority Support Center Funds to provide technical assistance to community-based minority credit unions.	$375,000	NR		
94 Technological Development Authority Grant-in-aid to the N.C. Technological Development Authority, Inc. for entrepreneurial support and infrastructure including creating new incubators, enhancing existing incubators, developing capital formation initiatives, supporting research commercialization programs and matching federal grant and loan funds.	$3,000,000	NR		

95 World Trade Center North Carolina				
Grant-in-Aid to the World Trade Center North Carolina to support international trade education programs to small and medium sized businesses.	$300,000	NR		
96 Center for Community Self-Help				
Provide funds to further a statewide program of lending for home ownership.	$3,000,000	NR		
97 Transfer N.C. Community Development Initiative	$1,800,000	R	$1,800,000	R
Transfer funding for the North Carolina Community Development Initiative, Inc. from the Rural Economic Development Center to the Department of Commerce.				
98 N.C. Community Development Initiatve	$200,000	R	$200,000	R
Additional funds for the North Carolina Community Development Initiative to support operating and program activity grants to mature community development corporations.				
99 Textile Museum				
Grant-in-Aid to the Town of Erwin (Harnett County) for a textile museum. Funds shall be matched on the basis of $1.00 of non state funds for every $1.00 of state funds.	$250,000	NR		
Total Legislative Changes	**$1,325,000**	**R**	**$1,325,000**	**R**
	$7,475,000	**NR**		
Total Position Changes				
Revised Budget	**$10,275,000**		**$2,800,000**	

NC Biotechnology Center

	GENERAL FUND		
	FY 97-98		FY 98-99
Recommended Continuation Budget	**$7,664,396**		**$7,664,396**
Legislative Changes			
NC Biotechnology Center			
100 Historically Minority Universities			
Additional nonrecurring funding to support biotechnology programs at the State's six Historically Minority Universities (Elizabeth City State University, Fayetteville State University, NC A&T State University, NC Central University, University of North Carolina-Pembroke, and Winston-Salem State University).	$1,000,000	NR	
101 Economic Development Investment Fund			
Nonrecurring funding increase for the N.C. Biotechnology Center's Economic Development Investment Fund. Funds provided are to be used for loans or equity investment to biotechnology companies and to biomedical and other bioscience related companies.	$1,000,000	NR	
Total Legislative Changes	**$2,000,000**	**NR**	
Total Position Changes			
Revised Budget	**$9,664,396**		**$7,664,396**

Rural Economic Development Center

GENERAL FUND

	FY 97-98		FY 98-99	
Recommended Continuation Budget	**$5,870,000**		**$5,870,000**	
Legislative Changes				
N.C. Association of CDCs				
102 N.C. Association of CDCs				
Additional funding for the North Carolina Association of Community Development Corporations, Inc. to provide training and technical assistance to community development corporations statewide.	$50,000	NR		
N.C. Community Development Initiative				
103 Transfer N.C. Community Development Initiative	($1,800,000)	R	($1,800,000)	R
Transfer funding for the North Carolina Community Development Initiative, Inc. from the Rural Economic Development Center to the Department of Commerce.				
Rural Economic Development Center				
104 Supplemental Funding Program				
Additional funds to support the Supplemental Funding Program for economic development in rural communities.	$2,650,000	NR		
Total Legislative Changes	**($1,800,000)**	R	**($1,800,000)**	R
	$2,700,000	NR		
Total Position Changes				
Revised Budget	**$6,770,000**		**$4,070,000**	

SP-30

Program and Funding Options for Federal Block Grants

Within block grant eligibility requirements, and as allowed under federal authorizing legislation, the following options are available for each block grant:

Block Grant Programs and Categories

1. Delete existing category(ies)
2. Combine existing categories
3. Add new category(ies)
4. Change funding amounts

Allocation of Decreases in Federal Block Grant Funding

1. Across the board
2. Targeted
    - Trigger by dollar amount or percentage
    - Specify which categories are decreased first and by how much
    - Exempt specific category(ies)

Allocation of Increases in Federal Block Grant Funding

1. Across the board
2. Targeted
    - Trigger by dollar amount or percentage
    - Specify which categories are decreased first and by how much
    - Exempt specific category(ies)

SP-31

NORTH CAROLINA DEPARTMENT OF COMMERCE
DIVISION OF COMMUNITY ASSISTANCE

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
(As submitted to General Assembly, April 1, 1997)

GENERAL DESCRIPTION

The State of North Carolina's overall community development objectives are to expand jobs, build community assets, provide decent housing, improve living environments, and meet other local needs having a particular urgency, principally for persons of low-and-moderate income.

Annually the U.S. Department of Housing and Urban Development(HUD) provides Small Cities Community Development Block Grant(CDBG) funds to the state to invest in partnership with local governments in pursuit of these objectives. The Department of Commerce (DOC) administers these funds, distributing them primarily on a competitive basis because the demand for funds far exceeds the amount available. Local governments submit applications to DOC, describing their proposed projects and how they will carry out the project.

In order to carry out the objectives of the North Carolina CDBG program, local applicants may receive funding through five different categories: Community Revitalization, Community Empowerment, Housing Development, Urgent Needs/Contingency, and Economic Development. Local government applicants may also secure loans to finance economic development or housing developments through the Section 108 loan guarantee program, approved by the General Assembly in 1995 and amended in 1996.

All counties, except HUD-designated Urban Counties (Wake and Cumberland and their participating municipalities) are eligible to apply for Small Cities CDBG funds. All municipalities, except for 22 entitlement cities that receive funds directly from HUD, are also eligible to receive Small Cities CDBG funds.

Local governments may undertake a wide range of activities under the CDBG program. Eligible activities are listed under Section 105 of the Housing and Community Development Act of 1974, as amended, and include, among other activities:

A. Acquisition of real property;
B. Acquisition, construction, and reconstruction of public works and facilities and site or other improvements;
C. Clearance, demolition, removal, and rehabilitation of buildings and improvements;
D. Provision of public services;
E. Planning activities; and
F. Payment of reasonable administrative costs.

1998 RECOMMENDATIONS

In the 1998 program year North Carolina expects to award $43,550,000 to eligible applicants, after administrative and technical assistance costs are deducted from the $45 million grant expected from HUD. The exact amount of the 1998 Small Cities CDBG allocation is subject to Congressional appropriations for federal fiscal year 1997-98.

Out of the total amount of funds available, the Department of Commerce proposes to award up to 20 percent of the funds for Economic Development loans and grants, up to 5 percent for Community Empowerment projects, up to 3 percent for Housing Development, and up to 5 percent for Urgent Needs related to last year's hurricanes, other disasters and contingencies. The remaining funds, at least 67% of the total, will be awarded to Community Revitalization projects, using a competitive need-based statewide ranking of the 249 applications received in October 1996 for funding in Spring 1997 and 1998.

Community Revitalization will continue to fund three types of projects: concentrated needs, scattered site housing rehabilitation, and infrastructure. Projects will be chosen from the highest-rated applications that are not funded in 1997. Also in 1998, changes may be made that will affect the 1999 program based on recommendations from a Study Committee of CDBG professionals and elected officials appointed by the Community Development Council. The Department will also continue to monitor awards by geographic location and consider regional balance as directed by the General Assembly.

Economic Development activities will focus on job creation projects in concert with the State's 1996 *William S. Lee Quality Jobs and Business Expansion Act*. This Act governs the annual designation of Enterprise Tier Areas, and offers specific business incentives to improve job quality in general, and particularly within the counties that rank higher in rates of unemployment and lower per capita income levels. It is proposed that the Microenterprise Category for CDBG funding will be discontinued in 1998, due to decreased interest for that type of assistance.

Community Empowerment will invest in projects that promote self-sufficiency among low and moderate income families. These projects develop community assets by integrating jobs, small business support, housing, and services for a particular population or neighborhood. After three years of experience with this category, the program is under review and will be revised during 1997 which will affect the 1998 program. In 1998 emphasis will also be given to proposals from local governments and their private-sector and non-profit partners that help advance the state's Work First welfare reform strategies.

Housing Development will include projects that add to the supply of affordable housing through new construction or conversion of buildings. Funded activities may include public water or sewer installation, hazardous materials removal, and land acquisition by a non-profit organization.

Urgent Needs/Contingencies funds will address needs resulting from recent disasters. In the event that Congress appropriates supplemental CDBG funds in 1997 for local government efforts to recover from hurricanes Fran and Bertha, funds from the 1998 allocation may be deployed to other categories.

Section 108 loan guarantees will continue to be available under the CDBG program. This program may be expanded with one or more regional loan pools to supplement the statewide program.

As part of NC Connect, the state initiative that funded telecommunications plans in the western part of the state, in 1997 the CDBG ***Telecommunications Demonstration*** will fund exemplary local projects that benefit lower income people. In 1998 this demonstration may be expanded to the rest of the state using program income and deobligated funds.

Support for the ***Work First*** initiative is being considered under all CDBG program categories. In addition, a special effort is underway involving Commerce and other state agencies examining ways various housing and economic development programs can help people making the transition from welfare to work. The Department will continue to focus on assisting local community development priorities in Tier 1 ***distressed counties*** through all CDBG categories.

	1996-97 Final Budget*		1997-98 Recommended
1. Community Revitalization Funds to the Division of Community Assistance (DOC) to award to local governments to improve existing housing and infrastructure in residential areas that benefit primarily persons of low and moderate income.	$29,285,734	at least	$29,000,000
2. Economic Development Funds to the Commerce Finance Center to award to local government projects to promote the creation and/or retention of jobs.	$ 8,742,010	up to	$ 8,710,000
3. Community Empowerment Funds to the Division of Community Assistance (DOC) to award to local governments forming partnerships to undertake comprehensive, community-based economic revival, to increase jobs and small business opportunities, and foster economic self-sufficiency among low income persons, especially those involved in Work First welfare reform.	$ 2,622,603	up to	$2,000,000
4. Housing Development Funds to the Division of Community Assistance (DOC) to award to local governments to expand the supply of affordable housing for low and moderate income persons through approaches that leverage local support and other funds.	$ 874,201	up to	$1,662,500

5. Urgent Needs/Contingency Funds to the Division of Community Assistance (DOC) to award to local governments a) for eligible projects submitted in other categories and b) for Urgent Needs projects based on conditions posing an imminent threat to public health or safety resulting from hurricanes or other events within the last 18 months, for which no other funds are available. Funds for such projects must remove the imminent threat.	$ 2,185,503	up to	$2,177,500
6. Administration/Technical Assistance	$ 1,454,950	up to	$1,450,000

Notes: 1. Final Budget for 1996-97 reflects changes resulting from a final HUD allocation to the state of $45,165,000, slightly higher than the $45 million amount anticipated when the 1996 General Assembly approved the budget.

2. Three demonstrations may be undertaken in 1998: Telecommunications (up to $300,000), Infrastructure Planning (up to $200,000), both funded from program income, deobligated funds or contingencies; and an Individual Development Account demonstration funded from Community Empowerment funds.

3. Funds available for distribution but not awarded in categories 2-5 or to demonstration projects by December 31, 1997 may be distributed to ranked projects in the Community Revitalization (category 1 above) or to Urgent Needs projects. Such funds may be carried over to 1998 to aid in local disaster recovery projects.

Program Income

Since 1986, loan payments from local governments assisted with CDBG funds have been made to the State. Loan payments from projects funded by DCA prior to 1992 were used in 1994, 1995, and 1996 for housing development grants to assist local governments in expanding the supply of affordable housing for low-and-moderate income persons. In 1998 this program income may be used to fund Housing Development or Urgent Needs projects. Loan repayments from projects funded after 1992 by the Commerce Finance Center will be used to fund additional economic development projects.

In 1998, approximately $800,000 in Program Income from loan repayments may be used for a loan loss reserve to support up to $8 million in economic development or housing development loans guaranteed under the HUD Section 108 program. Consistent with state law, an amount equal to ten percent of the outstanding balance of Section 108 loans will be held in a loan loss reserve fund to protect the CDBG program from state and local governments from default losses.

DMH47-0030

State of North Carolina
Department of Environment,
Health and Natural Resources
Division of Maternal and Child Health

James B. Hunt, Jr., Governor
Jonathan B. Howes, Secretary
Ann F. Wolfe, M.D., M.P.H., Director

DEHNR

SP-35

March 19, 1997

MEMORANDUM



TO: Jane Smith, Director
Division of Budget, Planning and Analysis

THROUGH: Ronald H. Levine, M.D., M.P.H.
State Health Director

FROM: Ann F. Wolfe, M.D., M.P.H.

SUBJECT: **FY 1996-97 MCH BLOCK GRANT PROPOSAL**

Attached for your review is our FY 1997-98 MCH Block Grant proposal. The proposed SSBG transfer amount was confirmed with Division of Social Services staff. Please note that the SSBG transfer includes funding for Adolescent Pregnancy Prevention Projects. In previous fiscal years, the APPP allocation was not treated as part of the MCH Block Grant transfer. For FY 1997-98, we requested that DSS combine the adolescent pregnancy allocation with the transfer to the MCH Block Grant. This provides DEHNR more flexibility in deciding how to use the total amount of SSBG funds available. DHR/DSS has agreed to the change. Therefore, their FY 97-98 SSBG plan will not reflect a separate allocation for APP Projects. Funds for APPP are reflected instead in item #2 of our MCH Block Grant plan.

Subject to your approval, please forward this document to the Fiscal Research Division. Should you have any questions, please call Barry Goldstein at 715-3662. Thank you.

BG:nr

Attachment

cc: Leah Devlin
Chris Hoke
Tom Vitaglione
Kevin Ryan

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES
DIVISION OF MATERNAL AND CHILD HEALTH
MATERNAL AND CHILD HEALTH BLOCK GRANT

SP-'36

Funding for State Fiscal Year 1997-98 is projected at $17,128,910. This represents $415,393 more than the amount available in Fiscal Year 1996-97. The amount includes $16,515,634 in MCH Block Grant funds, and a proposed transfer of $613,276 from the Social Services Block Grant.

GENERAL DESCRIPTION

The purpose of the Maternal and Child Health Block Grant is to assist states in assuring that mothers and children, particularly those with low income or limited availability to health services have access to quality maternal and child health services. These services are aimed at (1) reducing maternal and infant mortality; (2) reducing the incidence of preventable disease and disabling conditions among children; (3) promoting the health of mothers and children; and (4) maximizing the health status of children with disabilities. The MCH Block Grant consolidated five programs for which the state received categorical funding. These five programs were (1) Maternal and Child Health, (2) Children's Special Health Services, (3) Supplemental Security Income for Disabled Children, (4) Sudden Infant Death Syndrome, and (5) Lead Based Paint Poisoning Prevention.

RECOMMENDATIONS	ALLOCATIONS
1. Allocate $10,202,028 in Healthy Mothers/Healthy Children Block Grants to local health departments. The proposed allocation is $363,954 more than the amount allocated in FY 1996-97. Under this funding concept, local health departments have responsibility for deciding how to use maternal and child health funds to best meet local needs. County and district health departments may use Healthy Mothers/Healthy Children Block Grants to provide prenatal care, preventive and primary care services for children and preventive health services for women of childbearing age. None of the proposed **HEALTHY MOTHERS/HEALTHY CHILDREN BLOCK GRANT** allocation is used for state level administrative costs.	$10,202,028
2. Allocate $1,972,191 to support high-risk maternity clinics, perinatal education and training, public information and education, childhood injury prevention, adolescent pregnancy prevention, and consultation and technical assistance to local health departments. The proposed allocation is $162,079 more than the amount allocated in FY 1996-97. From the funds available, the Department proposes to use approximately $115,000 for state level administrative costs. This amount includes the salary and fringe benefits, of accounting, personnel and computer support staff within the Division of Maternal and Child Health, and indirect cost charges.	$ 1,972,191
3. Allocate $4,954,691 for services to children with chronic illnesses, genetic disorders, or developmental disabilities. This also includes the identification, follow up and testing of infants and young children at risk for developmental delays. The proposed allocation is $110,640 less than the amount allocated in FY 1996-97. From the funds allocated, the Department proposes to use approximately $50,000 for state level administrative costs. This amount represents indirect cost charges.	$ 4,954,691

TOTAL FUNDS AVAILABLE - SFY 1997-98	$ 17,128,910
SOURCE OF FUNDS	
MCH BLOCK GRANT FEDERAL FY 1997	$ 4,128,909
MCH BLOCK GRANT FEDERAL FY 1998	$ 12,386,725
SOCIAL SERVICES BLOCK GRANT TRANSFER	$ 613,276

PROPOSAL FOR BUDGETING INCREASES IN FEDERAL FUNDS

Federal legislation requires states to allocate at least thirty percent (30%) of their total MCH Block Grant award to services for children with special health care needs. If additional MCH Block Grant funds are appropriated by Congress, the Department requests approval to allocate thirty percent (30%) of the increased amount to services for children with special health care needs and seventy percent (70%) for activities and services effective in reducing infant and childhood mortality and morbidity.

PROPOSAL FOR ALLOCATING DECREASES IN FEDERAL FUNDS

If federal funds are reduced less than 10% below the amounts specified, the Department requests approval to reduce every program area described above that receives MCH Block Grant funds by the same percentage as the reduction in federal funds. If federal funds are reduced by 10% or more below the amounts specified above, the Department proposes to allocate the decrease in funds after evaluating which reductions in program support would be the least detrimental to the health and well being of North Carolina mothers, infants and children.

March 18, 1997

COMPARISON OF MCH BLOCK GRANT ALLOCATIONS/RECEIPTS
SFY 1993-94 TO SFY 1997-98

	CERTIFIED AMOUNT				PROPOSED
BLOCK GRANT ALLOCATIONS	SFY 93-94	SFY 94-95	SFY 95-96	SFY 96-97	SFY 97-98
1. HEALTHY MOTHERS/HEALTHY CHILDREN	$ 11,600,877	$ 11,600,877	$ 11,303,377	$ 9,838,074	$ 10,202,028
2. HIGH RISK MATERNITY CLINICS/ PERINATAL EDUCATION AND TRAINING/ SIDS/TECHNICAL ASSISTANCE	1,383,538	1,565,313	1,810,112	1,810,112	1,972,191
3. SERVICES FOR CHILDREN WITH SPECIAL HEALTH CARE NEEDS	5,151,435	5,065,331	5,065,331	5,065,331	4,954,691
4. NUTRITION SERVICES	120,530	120,530	120,530	0	0
TOTALS	**$ 18,256,380**	**$ 18,352,051**	**$ 18,299,350**	**$ 16,713,517**	**$ 17,128,910**

	CERTIFIED AMOUNT				PROPOSED
BLOCK GRANT RECEIPTS	SFY 93-94	SFY 94-95	SFY 95-96	SFY 96-97	SFY 97-98
1. MATERNAL AND CHILD HEALTH	$ 16,670,547	$ 16,766,218	$ 16,713,517	$ 16,713,517	$16,515,634
2. SOCIAL SERVICES	1,585,833	1,585,833	1,585,833	0	613,276
TOTALS	**$ 18,256,380**	**$ 18,352,051**	**$ 18,299,350**	**$ 16,713,517**	**$ 17,128,910**

March 18, 1997

State of North Carolina
Department of Environment,
Health and Natural Resources
Division of Health Promotion

James B. Hunt, Jr., Governor
Jonathan B. Howes, Secretary
Peter Andersen, MEd, MBA, Acting Director

DEHNR

SP-39 6

TO: Dr. Devlin **Correction** **Correction**

FROM: Leslie Brown

SUBJECT: FY 1997-98 Preventive Health Services Block Grant Plan

DATE: March 26, 1997

Attached is a **revised** PHSBG Plan for State Fiscal Year 1997-98. The plan has been revised to reflect the amount of Social Services Block Grant funds to be tranferred by the Department of Human Resources to support HIV/AIDS Education, Testing, and Counseling ($81,001) and to support EMS ($280,984) . The amount of the transfer for EMS was communicated to me this morning by Mary Greene, Division of Budget, Planning, and Analysis.

Please call if you have questions 5-3105

cc: Peter Andersen
Dr. Levine
Jane Smith
Mary Greene

March 27,1997 Correction.
I discovered an error in the Plan submitted on March 26. The indirect cost figure should read $217,762 and the Statewide Health Promotion figure should read $2,777,924. Corrected Plan is attached. Destroy the March 26 version.

Department of Environment, Health, and Natural Resources
Division of Health Promotion
Summary of the 1998
PREVENTIVE HEALTH SERVICES BLOCK GRANT (PHSBG)

The Preventive Health Services Block Grant Plan assumes that federal financial assistance for Federal Fiscal Year (FFY) 1998 will be $5,240,809. This is the same level of funding as available in Federal Fiscal Year 1997.

The Rape Crisis/Rape Prevention Program funding level of $187,110 for FFY 1998 is set at the federal level consistent with a set aside provision in the PHSBG legislation.

The Rape Prevention and Education Program is authorized under the Violence Against Women Act (Crime Bill) which amended the PHHSBG authorizing legislation in 1996.The FFY 1998 funding level for this component of the plan is $935,552.

State Fiscal Year 1998 continuation PHSBG funding is based on 25% of the State PHSBG allotment for FFY 1997 and 75% of the State allotment for FFY 1998. As in prior years, a transfer from the Social Services Block Grants will be used to support the plan. The plan assumes the transfer amount from the SSBG will be $ 361,985. Of the total SSBG transfer, $ 280,984 will provide support for the Department of Human Resources, Division of Facility Services, Emergency Medical Services program and $ 81,001 will be used to support HIV/AIDS Education, Testing, and Counseling Services.

GENERAL DESCRIPTION

The Preventive Health Services Block Grant provides support for services which reduce preventable illness and early death and which improve the quality of life of North Caro lina's residents through better health. Areas in which Preventive Health Services Block Grant funding are to be used are described in the following section.

RECOMMENDATIONS	ALLOCATIONS
1. Allocate funds to local health departments for screening and health education for persons with high blood pressure; for physician referral of patients experiencing high blood pressure; and for monitoring persons who are under treatment for high blood pressure.	$ 711,813
2. Allocate funds to support local health departments and agencies for health education, risk reduction programs and services to persons at risk of developing adverse health conditions or behavior patterns. Funds will also be used to develop and implement a health promotion and disease prevention training and resource development program to build a core capacity of central, regional, and local expertise in health promotion and disease prevention services. Increased emphasis will be placed on improving financial and service data collection and reporting, resource development, and improving access to services by older adults.	$ 2,777,924
3. Allocate funds to the Division of Dental Health to assist towns and schools to provide technical assistance and train local personnel in the development of fluoridated water systems, and to support basic preventive dental activities.	$ 224,170
4. Allocate funds to the N.C. Council on Women to support local governmental and private non-profit agencies to provide assistance and support to victims of rape and to provide education in rape prevention.	$ 187,110
5. Allocate funds to support rape prevention and education programs conducted by rape crisis centers or similar non-profit entities. Activities may include educational seminars, operation of hotlines, training of professionals, preparation of informational materials and efforts to increase awareness in underserved racial, ethnic, and language minority communities. Twenty-five percent of grant funds are to be devoted to education programs targeted for middle, junior high and high school students.	$ 935,552

6.	Allocate funds to local health departments to support personnel and programs for AIDS/HIV education, counseling, and testing. The local health departments emphasize AIDS education and testing efforts to reach those at highest risk, persons in AIDS high prevalence groups, to ensure that these efforts will be maximally effective in controlling the epidemic.	$ 81,001
7.	Allocate funds to the Division of Facility Services for Emergency Medical Services. These funds are used to provide grants and special services to rescue squads and local governments and to support the Regional EMS Councils and their programs. Funds will also be used to support the Statewide Trauma Registry.	$ 280,984
8.	Allocate funds to support an Office of Minority Health and a Minority Health Advisory Council.	$ 186,478
9.	Administrative and Indirect Costs. The authorizing legislation for the block grant caps administrative costs at 10% of the state allocation. The administrative costs cap for Fiscal Year 1998 is $524,081. Projected indirect costs for FY 1998 total $209,001.	$ 217,762
	TOTAL FOR STATE FISCAL YEAR 1997-98	**$5,602,794**

SOURCE OF FUNDS:

FFY 97 Preventive Health Services Block Grant	$1,310,202
FFY 98 Preventive Health Services Block Grant	$3,930,607
Transfer from Social Services Block Grant	$ 361,985
TOTAL FFY 1997-98 FUNDS	**$5,602,794**

3/27/97

PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT ANALYSIS SHEET
STATE FISCAL YEARS 1996, 1997 AND 1998

PROGRAM COMPONENT	HOUSE BILL 53 SFY 1997	BUDGET SFY 1996	CERTIFIED/ AUTHORIZED BUDGET SFY 1997	BUDGET SFY 1998
Emergency Medical Services	$213,128 (S)	$452,375 (S)	$213,128 (S)	$280,984 (S)
Basic Public Health Services	$0	$180,753 (S)	$0	$0
Hypertension Services	$711,813	$727,161	$711,813	$711,813
Statewide Health Promotion	$2,568,940	$2,624,329	$2,741,370	$2,777,924
Dental Health	$210,269	$214,803	$220,694	$224,170
Rape Prevention & Rape Crisis	$187,110	$186,241	$187,110	$187,110
Rape Prevention & Education	$1,335,126 *	$0	$1,464,593	$935,552
AIDS/HIV Education, Counseling & Testing	$66,939 (S)	$81,001 (S)	$66,939 (S)	$81,001 (S)
Office of Minority Health & Minority Health Council	$174,915	$178,686	$183,587	$186,478
Administrative & Indirect Cost	$199,048	$203,340	$199,048	$217,762
TOTAL	$5,667,288	$4,848,689	$5,988,282	$5,602,794
RECEIPTS				
PHHSBG	$5,387,221	$4,134,560	$5,708,215	$5,240,809
SSBG (S)	$280,067	$714,129	$280,067	$361,985
TOTAL	$5,667,288	$4,848,689	$5,988,282	$5,602,794

* Includes four quarterly allotments of Federal Fiscal Year 1996 funding ($762,929) and three quarterly allotments of estimated Federal Fiscal Year 1997 funding. The four quarterly allotments of FFY 1996 funding was budgeted in State Fiscal Year 1996-97 because the FFY 1996 Crime Bill funding was not allocated to the State until August of 1996. Thus, the State did not have any of these fun[illegible]vailable in State Fiscal Year 1996.

SP-43

CODE NO. 97HLTH-H012A According to Block Grant Plans

Requested by: Representatives Mitchell, Baker, Carpenter

NER BLOCK GRANT FUNDS

Sec. @. (a) Appropriations from federal block grant funds are made for the fiscal year ending June 30, 1998, according to the following schedule:

COMMUNITY DEVELOPMENT BLOCK GRANT	
01. State Administration	$ 1,000,000
02. Urgent Needs and Contingency	2,177,500
03. Community Empowerment	2,000,000
04. Economic Development	8,710,000
05. Community Revitalization	29,000,000
06. State Technical Assistance	450,000
07. Housing Development	1,662,500
TOTAL COMMUNITY DEVELOPMENT BLOCK GRANT - 1998 Program Year	$ 45,000,000
MATERNAL AND CHILD HEALTH BLOCK GRANT	
01. Healthy Mother/Healthy Children Block Grants to Local Health Departments	$ 10,202,028
02. High Risk Maternity Clinic Services, Perinatal Education and Training, Childhood Injury Prevention, Adolescent Pregnancy Prevention, and Technical Assistance to Local Health Departments	1,972,191
03. Services to Children With Special Health Care Needs	4,954,691
TOTAL MATERNAL AND CHILD HEALTH BLOCK GRANT	$ 17,128,910
PREVENTIVE HEALTH SERVICES BLOCK GRANT	

01.	Emergency Medical Services	$ 280,984
02.	Hypertension Programs	711,813
03.	Statewide Health Promotion Programs	2,777,924
04.	Dental Health for Fluoridation of Water Supplies	224,170
05.	Rape Prevention and Rape Crisis Programs	187,110
06.	Rape Prevention and Rape Education	935,552
07.	AIDS/HIV Education, Counseling, and Testing	81,001
08.	Office of Minority Health and Minority Health Council	186,478
09.	Administrative and Indirect Cost	217,762
TOTAL PREVENTIVE HEALTH SERVICES BLOCK GRANT		$ 5,602,794

(b) Decreases in Federal Fund Availability

Decreases in federal fund availability shall be allocated as follows:

(1) For the Community Development Block Grants -- If federal funds are reduced below the amounts specified above after the effective date of this act, then every program in each of these federal block grants shall be reduced by the same percentage as the reduction in federal funds.

(2) For the Maternal and Child Health and Preventive Health Services federal block grant -- If federal funds are reduced less than ten percent (10%) below the amounts specified above after the effective date of this act, then every program in the Maternal and Child Health and in the Preventive Health Services block grants shall be reduced by the same percentage as the reduction in federal funds. If federal funds are reduced by ten percent (10%) or more below the amounts specified above after the effective date of this act, then for the Maternal and Child Health and the Preventive Health Services block grants the Department of Environment, Health, and Natural Resources shall allocate the decrease in funds after considering the effectiveness of the current level of services.

(c) Increases in Federal Fund Availability

Any block grant funds appropriated by the Congress of the United States in addition to the funds specified in this act shall be expended as follows:

(1) For the Community Development Block Grant -- Each program category under the Community Development Block Grant shall be increased by the same percentage as the increase in federal funds.

(2) For the Maternal and Child Health Block Grant -- Thirty percent (30%) of these additional funds shall be allocated to services for children with special health care needs and seventy percent (70%) shall be allocated to local health departments to assist in the reduction of infant mortality.

(3) For the Preventive Health Block Grants -- These additional funds may be budgeted by the appropriate department, with the approval of the Office of State Budget and Management, after considering the effectiveness of the current level of services and the effectiveness of services to be funded by the increase, provided the resultant increases are in accordance with federal block grant requirements and are within the scope of the block grant plan approved by the General Assembly.

(d) Changes to budgeted allocations to the Maternal and Child Health and the Preventive Health Services block grants due to increases or decreases in federal funds shall be reported to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division within 30 days of the allocation. All other increases shall be reported to the Joint Legislative Commission on Governmental Operations and to the Director of the Fiscal Research Division.

(e) Limitations on Community Development Block Grant Funds

Of the funds appropriated in this section for the Community Development Block Grant, the following shall be allocated in each category for each program year: up to one million dollars ($1,000,000) may be used for State administration; up to two million one hundred seventy-seven thousand five hundred dollars ($2,177,500) may be used for Urgent Needs and Contingency; up to two million dollars ($2,000,000) may be used for Community Empowerment; up to eight million seven hundred ten thousand dollars ($8,710,000) may be used for Economic Development; not less than twenty-nine million dollars ($29,000,000) shall be used for Community Revitalization; up to four hundred fifty thousand dollars ($450,000) may be used for State Technical Assistance; up to one million six hundred sixty-two thousand five hundred ($1,662,500) may be used for Housing Development. If federal block grant funds are reduced or increased by the Congress of the United States after the effective date of this act, then these reductions or increases shall be allocated in accordance with subsection (b) or (c) of this section, as applicable.

CODE NO. 97HLTH-H012 Senate

Requested by: Representatives Mitchell, Baker, Carpenter

NER BLOCK GRANT FUNDS

Section 5.1. (a) Appropriations from federal block grant funds are made for the fiscal year ending June 30, 1998, according to the following schedule:

COMMUNITY DEVELOPMENT BLOCK GRANT	
01. State Administration	$ 1,000,000
02. Urgent Needs and Contingency	2,177,500
03. Community Empowerment	2,000,000
04. Economic Development	8,710,000
05. Community Revitalization	29,000,000
06. State Technical Assistance	450,000
07. Housing Development	1,662,500
TOTAL COMMUNITY DEVELOPMENT BLOCK GRANT - 1998 Program Year	$ 45,000,000
MATERNAL AND CHILD HEALTH BLOCK GRANT	
01. Healthy Mother/Healthy Children Block Grants to Local Health Departments	$ 9,838,074
02. High Risk Maternity Clinic Services, Perinatal Education and Training, Childhood Injury Prevention, Public Information and Education, and Technical Assistance to Local Health Departments	1,722,869
03. Services to Children With Special Health Care Needs	4,954,691
TOTAL MATERNAL AND CHILD HEALTH BLOCK GRANT	$ 16,515,634
PREVENTIVE HEALTH SERVICES BLOCK GRANT	
01. Emergency Medical Services	$ 213,128

02.	Hypertension Programs	711,813
03.	Statewide Health Promotion Programs	2,777,924
04.	Dental Health for Fluoridation of Water Supplies	224,170
05.	Rape Prevention and Rape Crisis Programs	187,110
06.	Rape Prevention and Rape Education	935,552
07.	AIDS/HIV Education, Counseling, and Testing	66,939
08.	Office of Minority Health and Minority Health Council	186,478
09.	Administrative and Indirect Cost	217,762
TOTAL PREVENTIVE HEALTH SERVICES BLOCK GRANT		$ 5,520,876

(b) Decreases in Federal Fund Availability

Decreases in federal fund availability shall be allocated as follows:

(1) For the Community Development Block Grants -- If federal funds are reduced below the amounts specified above after the effective date of this act, then every program in each of these federal block grants shall be reduced by the same percentage as the reduction in federal funds.

(2) For the Maternal and Child Health and Preventive Health Services federal block grant -- If federal funds are reduced less than ten percent (10%) below the amounts specified above after the effective date of this act, then every program in the Maternal and Child Health and in the Preventive Health Services block grants shall be reduced by the same percentage as the reduction in federal funds. If federal funds are reduced by ten percent (10%) or more below the amounts specified above after the effective date of this act, then for the Maternal and Child Health and the Preventive Health Services block grants the Department of Environment, Health, and Natural Resources shall allocate the decrease in funds after considering the effectiveness of the current level of services.

(c) Increases in Federal Fund Availability

Any block grant funds appropriated by the Congress of the United States in addition to the funds specified in this act shall be expended as follows:

(1) For the Community Development Block Grant -- Each program category under the Community Development Block Grant shall be increased by the same percentage as the increase in federal funds.

(2) For the Maternal and Child Health Block Grant -- Thirty percent (30%) of these additional funds shall be allocated to services for children with special health care needs and seventy percent (70%) shall be allocated to local health departments to assist in the reduction of infant mortality.

(3) For the Preventive Health Block Grants -- These additional funds may be budgeted by the appropriate department, with the approval of the Office of State Budget and Management, after considering the effectiveness of the current level of services and the effectiveness of services to be funded by the increase, provided the resultant increases are in accordance with federal block grant requirements and are within the scope of the block grant plan approved by the General Assembly.

(d) Changes to budgeted allocations to the Maternal and Child Health and the Preventive Health Services block grants due to increases or decreases in federal funds shall be reported to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division within 30 days of the allocation. All other increases shall be reported to the Joint Legislative Commission on Governmental Operations and to the Director of the Fiscal Research Division.

(e) Limitations on Community Development Block Grant Funds

Of the funds appropriated in this section for the Community Development Block Grant, the following shall be allocated in each category for each program year: up to one million dollars ($1,000,000) may be used for State administration; up to two million one hundred seventy-seven thousand five hundred dollars ($2,177,500) may be used for Urgent Needs and Contingency; up to two million dollars ($2,000,000) may be used for Community Empowerment; up to eight million seven hundred ten thousand dollars ($8,710,000) may be used for Economic Development; not less than twenty-nine million dollars ($29,000,000) shall be used for Community Revitalization; up to four hundred fifty thousand dollars ($450,000) may be used for State Technical Assistance; up to one million six hundred sixty-two thousand five hundred ($1,662,500) may be used for Housing Development. If federal block grant funds are reduced or increased by the Congress of the United States after the effective date of this act, then these reductions or increases shall be allocated in accordance with subsection (b) or (c) of this section, as applicable. If funds are available from program income, deobligated funds, or urgent needs and contingency, then the Department of Commerce shall use up to five hundred thousand dollars ($500,000) for an Infrastructure Demonstration Project

that will focus on innovative approaches to straight piping and pit privy problems.

(f) Limitations on Preventive Health Service Block Grant Funds

Twenty-five percent (25%) of funds allocated for Rape Prevention and Rape Education shall be allocated as grants to nonprofit organizations to provide rape prevention and education programs targeted for middle, junior high, and high school students. Any rape crisis center or other nonprofit organization that receives funds under this section to provide rape education and rape prevention programs to schools shall give priority to schools with an abstinence-based sex education curriculum.

Minutes

House Appropriations Sub-Committee on

Natural and Economic Resources

May 20, 1997 - 4:20 p.m.

The House Appropriations Sub-Committee on Natural and Economic Resources met on Tuesday, May 20, 1997 at 4:20 p.m. in Room 605 of the Legislative Office Building. Representative Jim Carpenter, House Co-Chair, called the meeting to order at 4:20 p.m. Members present were Representatives Carpenter, Mitchell, Baker, Owens, Culp, Fox, Tolson, Hall, Weatherly and Wilkins.

Rep. Carpenter announced that the agenda for the meeting would be a discussion of the block grants before the committee and the Worker Training Trust Fund. Jennifer Herrera of Fiscal Research Staff began an overview of the options for the committee in regards to the federal block grants (see attached handout) and special provisions for these block grants (see attached handout). Rep. Mitchell asked what Community Revitalization funding was used for and staff responded that there were several categories for which this money could be used, including infrastructure, scattered sites and concentrated needs, primarily neighborhood redevelopment. Rep. Mitchell then asked if the bill which Rep. Cansler had introduced for non-profit low-income housing was eligible for these funds, but staff explained that it was not, only local governments could apply for the grant, not non-profit organizations. Mr. Bill McNeil with the Division of Community Assistance in the Department of Commerce confirmed this. Rep. Mitchell then asked if each community was limited in the amount of funding they could receive so as to make sure that it was spread around. Mr. McNeil responded that there were limitations built into the program so that no community could receive more that one and a quarter million dollars a year, however communities were eligible to reapply each year and could receive repeated grants, but had to have used all the money from their previous grants.

Staff continued the overview of the Community Development Block Grants. Mona Moon then began an overview of the Block Grant for Maternal and Child Health. Rep. Culp asked if they were assured of $45 million in the total block grant and staff responded that was a close estimate of what the state planned to receive in the Community Development Block Grant, but was not a guarantee, but that language was included in the special provisions to deal with this situation. Staff then continued with the Preventive Health Services Block Grant. Rep. Mitchell asked what the difference between rape crisis and rape education was. Peter Anderson, Acting Director of the Division of Health Promotion, explained that rape crisis dealt with crisis intervention, while rape education was a new category under the crime bill which dealt with more than primary prevention of rape. Rep. Mitchell then clarified where this money was used and

staff explained that it was used across the state at various rape crisis centers. The Department also explained that the Council of Women distributed the funds.

Staff continued the overview. Rep. Mitchell inquired if there had been any response from the Committee on Human Resources on a grant transfer and Ms. Moon explained that this had not yet been confirmed. Rep. Wilkins then inquired about the Statewide Health Promotion Program. Staff explained that this encompassed a variety of programs administered by local health departments across the state for health prevention and promotion. Rep. Wilkins then asked if the eye prevention program, Prevent Blindness, could use this money through each health department. Staff explained that it could not be used for treatment purposes and that they would need to get more information about the program before they could determine its eligibility. Dr. Levine explained that this money was only allocated for state use of certain preventive health purposes. Dr. Leah Devlin, Deputy State Health Director, then spoke on the issue, and told the committee that this money was needed for the operation of local health departments and was the only money that many received for the prevention of chronic health diseases. Rep. Wilkins then asked if they could look more closely into this possibility. Rep. Culp inquired as to how much each county received of this money. The Department replied that an equal share was given to each county of approximately $28,000. Rep. Carpenter then asked the Department if they felt that Prevent Blindness was a worthy program, and Dr. Devlin replied that she did and that she would be happy to look for possible ways to fund it. Rep. Baker then asked why the vision screening was not currently being done. Dr. Wolff replied that it was being done to an extent but that the current request would enhance it. Rep. Carpenter asked what percentage of the vision screening was being performed by the agency versus Prevent Blindness and Dr. Wolff replied that she did not know but could research this subject. At this point staff recapped the discussion for the committee and suggested that staff would continue to work with the department on the possibility of finding funding for the program. Rep Owens commented that if the program was important they should be able to find the funding somewhere. Rep. Tolson commented that the sheer numbers prevented the health department from performing the necessary number of screenings but Prevent Blindness' methods could. Rep. Weatherly stated that he had information on this but did not have it with him. Rep. Owens asked if it would be possible for them to use vacant positions which had previously been discussed to fund this program. Rep. Baker commented that Rep. Hall also had some additional information to present to the committee when he returned. The committee then decided to defer the decision on this issue until the next meeting when more information would be available. Rep. Baker then made a motion to equalize the funding of items 4 and 5 in the Community Development Block grant, providing the same amount of funding for both economic development and community revitalization. Rep. Owens spoke against this motion, suggesting that while both were important to a community, community development was more important in helping build infrastructure which would in turn further economic development. Rep. Carpenter also spoke against the motion and commented that he believed the two programs interacted with one another. He then asked Bill McNeil, head of the Department of Commerce's Community Assistance Division, to speak on this issue. Mr. McNeill responded that

community revitalization was more sought after by communities and were very popular grants. Rep. Carpenter stated that he believed the appropriations should remain the same because of the money which had already been applied for in the following year. Rep. Baker commented that the money had already been appropriated for this year's allocations and so it would not affect communities which had already been given grants, only those who were currently applying. Rep. Mitchell asked what these grants were often used for in economic development and Mr. McNeil explained that they would be used for such things as water and sewer extensions for industrial locations. Rep. Owens asked if there were other sources this money could be obtained from, such as the Clean Water Trust Fund, and Mr. McNeil replied that there were several other sources. Rep. Culp asked if communities could apply for grants at any time and what the application process required . Mr. McNeil explained that grants for community revitalization were very popular and so had a cutoff date, but the others could be applied for on a continual basis and projects were evaluated individually. Rep. Howard also voiced his opposition to the motion. A voice vote was then taken by the committee on Rep. Baker's motion and the motion did not pass. Consideration of the Community Development Block Grant continued. Rep. Baker asked why the Department of Commerce was involved in the problem of privies and Mr. McNeill explained that they worked with DEHNR on this issue. Rep. Hunter commented that project had been done before. Mr. McNeill explained that there had been an outhouse project two years ago. Rep. Wilkins then made a motion that the sub-committee approve the Senate version of the Community Development Block Grants distribution. A voice vote was taken and the ayes carried. Rep. Hall then presented the information he had received on Prevent Blindness (see attached handout). (**Note:** Recorder malfunction prevented taping of approximately 20 minutes of the meeting. Tape is not available for this portion). Mark Trogdon of Fiscal Research Staff then began an overview of the Worker Training Trust Fund (see attached handout). Rep. Owens commented that $750,000 was needed for local workers within the Employment Security Commission to maintain the current level of employment. Staff explained that this program was funded mainly from federal grants. Mr. Whittiker from the Employment Security Commission then offered an explanation for the problems with declining funding. Rep. Carpenter asked if any offices had been closed and Mr. Whittiker explained that they had not yet, they had simply been reducing staff at each office. Rep. Hunter commented that Gates County did not have an Employment Securities Office and Mr. Whittaker explained to Rep. Hunter that not all counties had offices. Rep. Mitchell then commented on the increase in the Director's salary. Rep. Owens asked where they planned to get the $750,000 needed for the shortfall. Mr. Whittaker asked if there were available funds to make up for the shortfalls and if so they would like to be funded with the extra money which had emerged at the state level. Rep. Owens suggested that if there were 70,000 to 100,000 recurring funds they could be used for this and asked staff to check on the possibility of a 3-5% increase. Rep. Culp asked if ESC workers were considered to be state or federal employees and staff responded that they were federal employees. Rep. Baker inquired what the total payroll was and was informed it was $60 million. Staff continued with the overview. Katy Early from NC REAL explained the program at Rep. Baker's request as well as the payroll for the staff of the nonprofit organization. Rep. Culp asked if the program was in all counties and Ms.

Early explained they were only in 57 rural counties but were starting to expand. The funding level for the Focused Industrial Training program was discussed. Rep. Baker asked if all of the training was done on site at the community colleges and Mr. Rawls with the FIT program explained that it was not all done on site, rather some was actually done at the manufacturing facilities. Rep. Hunter then asked if the Work First funding had been eliminated by the Senate and staff confirmed that it had. (**Note:** Taping Resumes) Rep. Culp asked for a explanation of the Common Follow-Up program and staff explained the program. Rep. Owens the suggested that the committee add an additional 5% increase to the allocation for the ESC Local Office Operations if the money was available. Staff confirmed that this funding should be available though it depended on the final amount received. Rep. Baker then commented that to avoid eliminating jobs in this program total payroll would need to be funded and Rep. Owens noted that funding had been increasing for other payroll areas and so should also for this group. Rep. Baker then noted that 75% of the program's funding came from the federal government. Mr. Whittaker noted that this increase would help but several million were needed to overcome the shortfalls. He added that while they had hesitated to ask for more funding previously but would like the opportunity to receive more if it was available to make up for past shortfalls.

Rep. Carpenter then announced that Dana Cope with the Department of Labor would also speak before the committee in a request for additional funding. Mr. Cope spoke to the committee about an additional request for one million to fund the transition of the Department of Labor from the JPTA program to a statewide apprenticeship program (see attached handout). Mr. Cope explained that the growing demand for apprenticeship programs had necessitated this request. Rep. Hall asked what the programs did and Mr. Cope explained that apprenticable professions were organized to help develop high skilled labor and increase marketable skills in various areas. Rep. Hall then commented that he thought this was the purpose of the community colleges. Mr. Cope explained this program was an old one which had been around since the 1940's and that by law only the Department of Labor was authorized to operate this program, but they did work closely with the community college system on in-class training. Rep. Owens then asked if anyone would like to comment on the elimination of the funding for the Work First program. Mr. Whittaker commented that while he could not speak to the program personally, he knew that many more Social Services were signing up the unemployed with their local offices and requests had greatly increased. Rep. Carpenter also commented that Rep. Berry had informed him that this alternative to the Work First initiative was a great help in the welfare side of the issue. Rep. Mitchell asked why the money needed to be doubled the second year for the apprenticeship program and Mr. Cope explained that this would allow a transitional approach to the elimination of positions from JPTA to the apprenticeship program. Rep. Mitchell inquired if the salaries were $50,000 each for these employees in the program and Mr. Cope explained that it was lower, but the additional funding was needed for traveling expenses. Rep. Owens asked if the money from the JPTA process would stay within the state system and this was confirmed. Rep. Owens then asked if a smaller amount could be allocated until the success of the program had been determined and Mr. Cope explained that the full funding

was needed because of contractual obligations and to effectively transition. Rep. Hall then commented that it seemed that there was a large amount of overlap between the various departments in the areas of job training and others. Rep. Mitchell commented that a study commission was looking into this. Rep. Hall then commented that while the positions for the ESC were declining, one consideration should be the number of private employment agencies which had sprung up in the state, which had help bring unemployment down to 3%. Staff then recapped what the proposals made during the meeting had been. Rep. Owens' motion for a $750,000 increase for the Employment Security Commission for the purposes of committee discussion was approved by a voice vote. The Department of Labor item for an addition of $1.5 million dollars over two years was also tentatively approved for purposes of discussion.

Rep. Carpenter then announced that the committee would meet the following morning, May 21st, at 8:30 a.m. The meeting was adjourned at 6:05 p.m.

Respectfully submitted,

Rep. Jim Carpenter
House Co-Chair

Kara McCraw
Committee Clerk

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Natural and Economic Resources 5-20-97 PM

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Shelle Walters	OSBM
JW Reel	OSBM
Jonny Gray	OSBM
Cathy Weaver	NCCCS
C Barham III	NCCCS
JC Adams	DET / Commerce
Sandra Long	Porter Steel
Peter Andersen	DEHNR / DHP
Laura Hartsell	MCIC
BOB HAVELY	PREVEST BUSINESS
Katie Earley	NCREAL Enterprises
Jane Smith	DEHNR
Jan Stanford	DOC
Beth Wellenson	NC Industrial Commission
	TDA
Leo Tilley	Commerce
Alice Leigh	DEHNR - MCN
Barry Goldstein	DEHNR - DMCH
Adam Searcy	NC Health Access Coal.
Patricia A Yancey	LLPP / APPCNC
Lee Dowlin	DENNR - NEALTH
Ann J. Wolfe	DEHNR - MCH
Peter Daniel	NCDA
Travis Porter	Porter and Steel PLCC
JUC McClees	TDA
Linda Gunn	REDC
Ebonie Alexander	CDCI

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Natural and Economic Resources 5-20-97 PM

Name of Committee | Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Julian D. Brown	NCIMED
Sheila W. Chavis	State Planning
Bill McNeal	NC Division of Community Assistance
R.E. Schley	NC Rural Water Assoc.
Jim Davis	OSBM
Donna Fishburn	NC Coalition Against Sexual Assault

SP-57

TABLE 1

Appropriations From the Worker Training Trust Fund
FY 1988-89 to FY 1996-97

	FY 1988-89	FY 1989-90	FY 1990-91	FY 1991-92	FY 1992-93	FY 1993-94	FY 1994-95	FY 1995-96	FY 1996-97	By Program Totals	By Program %
Employment Security Commission											
Local Office Operations	1,642,685	4,537,708	6,459,673	5,459,673	5,839,964	5,539,964	5,839,964	5,839,964	5,839,964	46,999,559	46.14%
Worker Readjustment Program	0	1,200,000	0	0	0	0	0	0	0	1,200,000	1.18%
Tracking System	0	0	0	0	225,000	225,000	225,000	225,000	225,000	1,125,000	1.10%
Voter Registration	0	0	0	0	0	0	300,000	600,000	0	900,000	0.88%
Department of Commerce											
Division of Employment and Training	0	0	2,000,000	3,000,000	2,400,000	2,400,000	2,400,000	2,400,000	2,618,500	17,218,500	16.90%
Department of Labor											
Pre-Apprenticship Training	0	0	500,000	500,000	1,000,000	1,000,000	1,000,000	1,000,000	1,300,000	6,300,000	6.18%
Department of Human Resources											
Job Opportunities & Basic Skills (JOBS)	0	0	2,000,000	2,000,000	2,489,036	2,826,658	1,528,067	1,528,067	1,528,067	13,899,895	13.64%
Department of Community Colleges											
Focused Industrial Training (FIT)	500,000	850,000	1,000,000	1,250,000	1,746,000	1,746,000	1,746,000	1,746,000	1,746,000	12,330,000	12.10%
REAL	0	0	0	0	150,000	300,000	300,000	300,000	400,000	1,450,000	1.42%
Department of Public Instruction	0	0	250,000	0	150,000	0	0	0	0	400,000	0.39%
Job Training Study Commission	0	0	0	0	0	0	0	25,000	25,000	50,000	0.05%
Totals By Fiscal Year	*2,142,685*	*6,587,708*	*12,209,673*	*12,209,673*	*14,000,000*	*14,037,622*	*13,339,031*	*13,664,031*	*13,682,531*	*101,872,954*	*100.00%*
										101,872,954	

Fisc earch Division 5/19/97

SP-51

WORKER TRAINING TRUST FUND

AUTHORIZATION

The Worker Training Trust Fund was created in 1987 as part of the statutory authorization for the Employment Security Commission Reserve Fund. The Worker Training Trust Fund operates as a fund account to which the State Treasurer deposits the annual interest earnings generated by the $200.4 million in principal held in the Employment Security Commission Reserve Fund.

These interest earnings are appropriated each biennium by the General Assembly through a special provision in the Budget Bill. The purposes identified in statue for which these funds may be appropriated are as follows :[1]

1) Fund programs specifically for the benefit of unemployed workers or workers who have received notice of long-term layoff or permanent unemployment, which will enhance the employability of workers, including but not limited to, adult basic education, adult high school or equivalency programs, occupational skills training programs, assessment, job counseling and placement programs;

2) Continue operation of local Employment Security offices throughout the state;

3) Provide refunds to employers.

PROJECTED AVAILABILITY

Since the amount of annual interest earnings will fluctuate with interest rates in any given fiscal year, appropriation of these funds are made on a forward basis. For example, programs funded from the Worker Training Trust Fund in the current fiscal year (FY 1996-97) are being supported with interest earnings from the previous fiscal year (FY 1995-96). Funds not utilized in a given fiscal year revert to the trust fund notwithstanding other applicable laws.[2]

The Trust Fund's projected recurring availability for the 1997-98 fiscal year is approximately $13 million; the projected nonrecurring availability is $600,000.

FUNDING HISTORY – PLEASE SEE TABLE 1

[1] As provided under G.S. 96-5(f). See attachment 1 to this handout.

[2] For example, funds appropriated to the "Employment and Training Grant Program" remain available for expenditure in multiple fiscal years as provided in G.S. 143B-438.6 (e).

GOVERNOR'S RECOMMENDED PROGRAM FUNDING FOR THE 1997-99 BIENNIUM

Employment Security Commission (ESC)

Local Office Support

Funding Level	FY 97-98	FY 98-99
	$5,839,964	$5,839,964

Local ESC offices provide job placement and unemployment claims benefit assistance at the local level. Worker Training Trust Funds are used to provide additional operating and personnel support for job placement assistance at ESC's network of 88 local offices.

State Occupational Information Coordinating Committee

Funding Level	FY 97-98	FY 98-99
	$370,000	$370,000

Worker Training Trust Funds are used to support the State Occupational Information Coordinating Committee to provide oversight and development of the "Common Follow-up System." The Common Follow-up System is being developed to track former participants of state education and job training programs to determine the efficacy of these programs on job placement in the marketplace. The Governor's proposal increases the funding for this program from its previous funding level of $225,000 to $370,000.

Community Colleges

Focused Industrial Training (FIT)

Funding Level	FY 97-98	FY 98-99
	$1,746,000	$1,746,000

The Focused Industrial Training program provides customized training assistance to the state's traditional manufacturing industries. Training typically involves upgrading the skills of an industrial client's workers to meet changes in manufacturing processes due to technological advancements and other similar production process related changes. Funding for the FIT program is provided from the Worker Training Trust Fund in addition to $1.96 million in general fund support.

REAL Program

Funding Level	FY 97-98	FY 98-99
	$300,000	$300,000

Rural Entrepreneurship through Action Learning (REAL) is a nonprofit organization that operates at selected rural high schools and Community Colleges around the state providing courses in small business development.

Department of Human Resources

JOBS/Work First program

Funding Level	FY 97-98	FY 98-99
	$1,528,067	$1,528,067

The Work First program is designed to assist welfare recipients in obtaining education, training, supportive services, and employment in order to avoid long-term welfare dependency.

Department of Commerce

Employment and Training Division

Funding Level	FY 97-98	FY 98-99
	$2,400,000	$2,400,000

Worker Training Trust Funds are used to implement the state's Employment and Training Grant Program. The program serves as an enhancement to federal Job Training Partnership Act funds allocated for disadvantaged adults. The program by statute targets adults 18 years of age and older who do not qualify for assistance under the federal JTPA definition of an adult (age 22).

Department of Labor

Bureau for Training Initiatives

Funding Level	FY 97-98	FY 98-99
	$1,000,000	$1,000,000

Funds are used for customized training programs targeted to the unemployed, disadvantaged, or dislocated for specific jobs needed by employers. The program also provides technical assistance to employers in the areas of recruitment, evaluation, and training.

SP-55

Worker Training Trust Fund Summary

	Program	FY 1996-97 Actual	Governor's Budget FY 97/99* Recommended	Governor's Budget +/- Change Over FY 1996-97	Senate Budget FY 97/99* Recommended	Senate Budget +/- Change Over FY 1996-97
1	ESC Local Office Operations (ESC)	5,839,964	5,839,964	-	5,839,964	-
2	Common Follow-up/SOICC (ESC)	225,000	370,000	145,000	225,000	-
3	Focused Industrial Training Program (Comm Colleges)	1,746,000	1,746,000	-	1,746,000	-
4	NC REAL Enterprises (Non Profit)	400,000	300,000	(100,000)	400,000	-
5	Work First Program (DHR)	1,528,067	1,528,067	-	-	(1,528,067)
6	Division of Employment and Training (Commerce)	2,618,500	2,400,000	(218,500)	2,400,000	(218,500)
7	Bureau for Training Initiatives (Labor)	1,300,000	1,000,000	(300,000)	1,000,000	(300,000)
8	Teacher Apprenticeship Program (DPI)	-	-	-	100,000	100,000
9	Job Training Study Commission (General Assemby)	25,000	-	(25,000)	50,000	25,000
10	Evaluation of Common Follow-up (OSBM)	-		-	50,000	50,000
	Totals	***13,682,531***	***13,184,031***	***(498,500)***	***11,810,964***	***(1,871,567)***

**** Reflects funding level for each year of the FY 1997-99 Biennium***

SP-56

ITEMS FOR POSSIBLE COMMITTEE DISCUSSION

1) The $2.4 million recommended for the Employment and Training Grant program is not being fully utilized by all the Service Delivery Areas receiving these funds. Over the last 5 fiscal years, the program has averaged a carry forward balance of $1.3 million in unspent funds. Therefore, the committee may wish reduce the recommended Worker Training Trust Fund support for this program from $2.4 million to $1.1 million.

2) The $1.53 million recommended appropriation for the JOBS/Work First program is not currently incorporated in the Department of Human Resources' business plan for Work First. In addition, the proposed funding is not required for drawing down federal funds for maintenance of effort. The Department proposes to keep the funds to use as a block grant to counties for assisting clients with obtaining employment. The committee may wish to discuss the need to continue the proposed $1.53 million in Worker Training Trust Fund support to the Department of Human Resources given the current $500 million funding level in place for welfare reform.

FAMILY PRACTICE
K[redacted] Coward, M.D.
[redacted] Peters, M.D.
[redacted]mple, M.D.
[redacted] Winslow, M.D.

INTERNAL MEDICINE
Hinson A. Weathers, M.D.

INTERNAL MEDICINE, PEDIATRIC AND ADOLESCENT MEDICINE
Gilbert R. Allgood, M.D.

RHEUMATOLOGY, INTERNAL MEDICINE PEDIATRIC & ADOLESCENT MEDICINE
Duncan M. Fagundus, M.D.

PULMONOLOGY & INTERNAL MEDICINE
Jeffrey A. Silver, M.D

GASTROENTEROLOGY & HEPATOLOGY AND INTERNAL MEDICINE
William J. Leland, M.D.

CLINICAL PSYCHOLOGY
M. David Coulthard, M.A.

RADIOLOGY CONSULTANT
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John I. Brooks, Jr., M.D.
George C. Hemingway, Jr., M.D.
John G. Morgan, M.D., F.A.C.S

UROLOGY
V. Spencer Long, M.D.

GENERAL SURGERY
Patrick J. Regan, D.O.
Sharon K. Davis, M.D.

CARDIOVASCULAR MEDICINE
Jayesh K. Patel, M.D.

PEDIATRIC & ADOLESCENT MEDICINE
Ada F. Williams, M.D.

TARBORO CLINIC, PA.
EYE CENTER & OPTICAL SHOP
2807 N. MAIN ST.

OPHTHALMOLOGY
Robert O. Crawford, M.D

OPTOMETRY
David R. Anderson, O.D.

March 19, 1997

Jerry Wiley, M.D., Chair
Pediatric Vision Screening Task Force
DEHNR
P.O. Box 29597
Raleigh, NC 27626-0597

RE: Training and certification of volunteer vision screeners

Dear Jerry:

I am pleased to report that the North Carolina State Optometric Society Executive Council approved the following motion at our quarterly meeting on March 11-12, 1997:

"The Executive Council of the NCSOS endorses the concept of training and certification of volunteer vision screeners for the school-aged population as proposed by the Pediatric Vision Screening Task Force, DEHNR."

Again, thank you for your leadership of the Task Force and, as always, if I can be of any assistance, please do not hesitate to contact me.

Sincerely,

David R. Anderson, O.D.
Vice President, NCSOS

cc: Jennifer Green

NORTH CAROLINA DEPARTMENT OF LABOR

YOUTH APPRENTICESHIP CONSOLIDATION

School To Work Programs
High School Apprenticeships

-- Expansion of staff to meet the increased demand for service

-- Greater visibility through existing high school apprenticeship programs and DOL partnerships

-- Programs in three-fourths of NC counties

-- Continue to expand high school apprenticeship programs. (These apprentices have grown from 38 in 1993 to 541 in 1996)

-- 71% increase in apprentices and other OJT trainees since 1993-94

-- 70% completion rate!

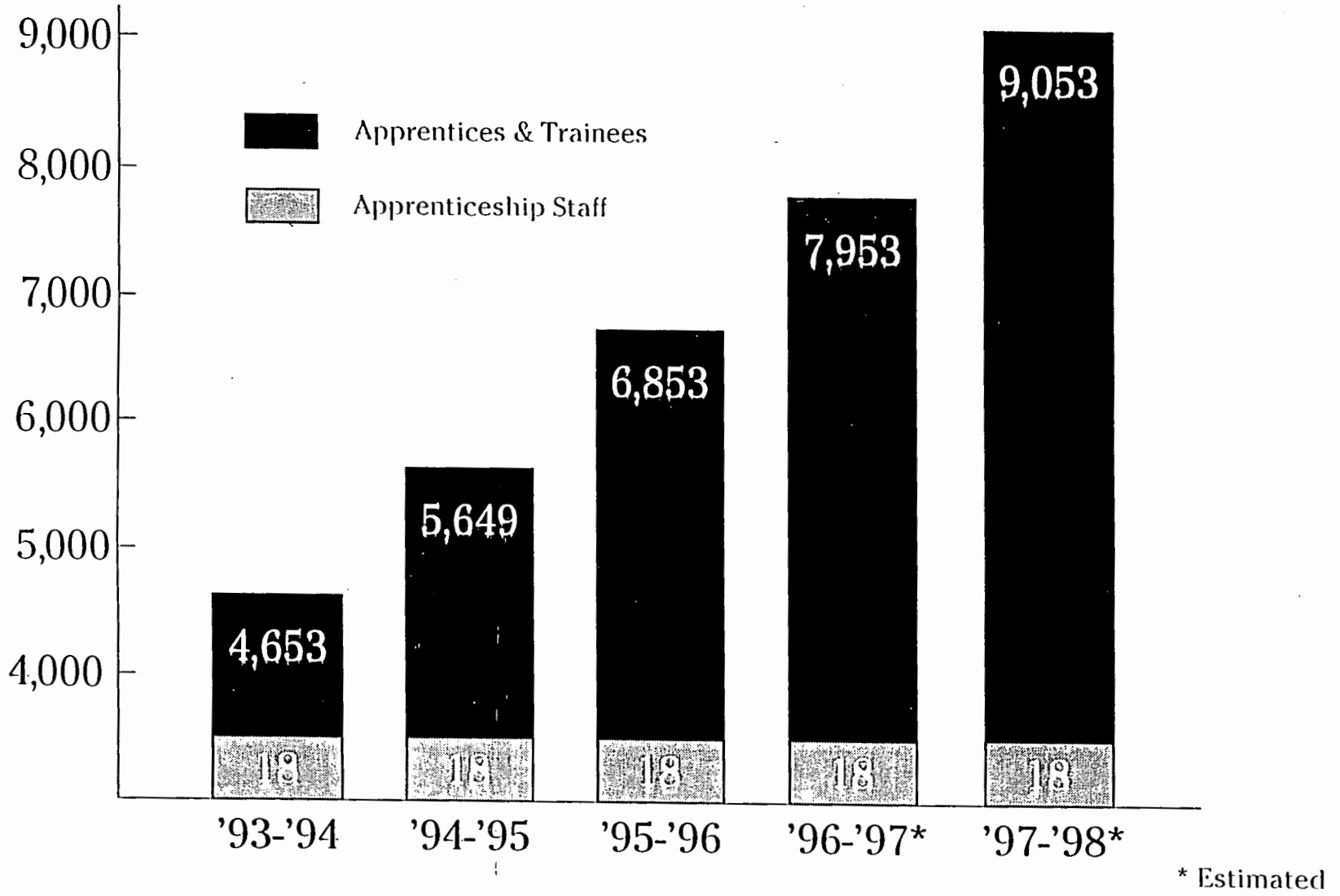
-- 18 administrative positions within the bureau -- the same number over the past 8 years

-- Request WTTF dollars to fund 16 youth apprenticeship and 4 clerical positions for a total cost of $500,000 (1997-98) and $1,000,000 (1998-99)

-- Additional staff would allow greater service to all 100 counties

-- 10,000 apprentices by 2000

State's Apprentices Increase 71% While Staff Remains The Same



* Estimated

Minutes

House Appropriations Sub-Committee on

Natural and Economic Resources

May 21, 1997 - 8:30 a.m.

The House Appropriations Sub-Committee on Natural Resources met Wednesday, May 21, 1997, at 8:30 a.m. in Room 605 of the Legislative Office Building. Representative Rex Baker, House Co-Chair, called the meeting to order at 8:30 a.m. Members present were Representatives Baker, Mitchell, Carpenter, Culp, Fox, Hall, H. Hunter, Owens, Tolson, Weatherly, and Wilkins.

After opening remarks, Mona Moon of the Fiscal Research Division, gave a follow-up report on block grants. SP-50 was briefly reviewed and she noted the language difference in the Senate provision of the preventative health services block grant and that is the department's program. She further noted that it had been discussed at the previous meeting about the possibility of allocating some of the block grant funds in the Preventive Health Services to fulfill the training through the Prevent Blindness that has been requested in the Governor's Expansion Budget. It was noted that the department supports the block grant program as it comes over and prefers not to allocate any health promotion money for prevent blindness. They still support the Governor's recommendation that the program be funded with recurring general fund money. Preventive Blindness officials do not support taking money out of the block grant to fund that program. The department will not offer suggestions and will leave up to the committee. There was discussion whether to allocate some of the block grant money for that program. It was noted that if the prevent blindness program was funded, each county will receive $2,200 less than health promotion money. Representative Weatherly requested the committee members to review the Fact Sheet which was distributed and pay close attention to those endorsing it.

Representative Owens asked question about using $1.5M allocated to Parks and Recreation to clean up debris, timber, etc. as a result of Hurricane Fran and asked what part FEMA would play. Representative Baker replied that the money was put in to give Parks immediate access to funds so they can go ahead with some projects. The purpose is to give immediate money to work with until FEMA funds are received. Mr. J. W. Reel, of State Budget, explained there is a reserve of money for cleanup. These are state funds and there is some unallocated and available and ready for immediate use. Representative Baker explained it would give repair money for things not covered by FEMA.

Ms. Moon noted that she would report back to the committee when the information is received on the number of screenings and where they are being performed. It was noted that Prevent Blindness would not be doing the screening but would train the

people who are doing the screening. Representative Hall objected to personnel getting $13.00 per hour and noted there is not much training needed.

Ms. Moon asked the committee what to do about Social Services block grant. She explained that a special provision could be drawn up or could have the department come up with the reduction to fund with appropriations. The money could come from lapsed salaries; but it takes awhile for those to be generated.

Mr. Robert Powell, of the Office of State Budget, explained the reserve money which has been allocated for State Parks. He noted that the Governor made $140M available for operating funds as allowed by law. In addition, he made $10M available for repairs and renovation funds which could be used for cleanup at state facilities. The $1.5M can be used immediately for state parks. Representative Baker asked how the committee could be assured that $1.5M will be available to the parks for repairs, and Mr. Powell replied that State Parks and Recreation would have to request the money.

Motion: Representative Weatherly made motion to move in the budget $219,000 from the $1.5M to the Prevent Blindness Program. Motion carried.

Ms. Moon noted that item 54 listed on page 10 of draft which was handed out at a previous committee meeting, would be reduced in the amount of $219,000 and item 48, Children's Vision Screening Program, would be increased by $219,000 to make a total of $419,000 in non-recurring funds. The amount of money will be shifted in the report.

Ms. Moon asked the committee if they were comfortable with the allocation that has been suggested by the Division of Maternal and Child Health and Preventive Health Services and if they would like to tentatively approve. She noted that a provision could be drawn up for provision as information is received from the Department of Human Resources on their action relative to the Social Services block grant. If that changes the allocation, we will ask the department to present a revised allocation plan and bring back in a revision. She asked the committee if they wanted to approve in a special provision what was included in the Senate's special provision listed on SP-50.

Motion: Representative Carpenter moved that we provide the agreement for the special provision and accept the language from the Senate in provision on rape crisis. Motion carried.

Mr. Trogdon reviewed SP-58, Worker Training Trust Fund—House NER Proposal (see attached). It shows how the funds will be allocated for the next two years.

Motion was made by Representative Owens to approve. Representative Baker made a substitute motion to put $100,000 in each year and will bring us down to $4,520. Motion carried.

The following (see attached) were reviewed and action taken as follows:

SP-59, Home Program Matching Funds, was approved.
SP-60, Mountain State Fair to Become Enterprise Fund, was approved.
SP-61, Timber Sales for Maintenance of State Farms Forestland, were approved.
SP-62-63, Transfer Maritime Museum to Cultural Resources, were approved.
SP-64, Western North Carolina Development Association, was approved.
SP-65, Increase Grape Growers Fund, was approved.
SP-66, Reserve for Farm Loans, was approved.
SP-67-68, Authorize the Agricultural Finance Authority to Use the Interest, were approved.
SP-69-70, OSHA Technical Assistance, were approved.
SP-71, Establish Departmental Safety Officer, was approved.
SP-72-73-74, Job Training Study Commission, were approved.
SP-75-76, NC Real Enterprises Reporting, were approved.
SP-77, Industrial Recruitment Competitive Fund, was approved.
SP-78, Council of Government Funds, was approved.
SP-79, Petroleum Overcharge Attorney's Fees, was approved.
SP-80, Petroleum Overcharge Funds Allocation, was approved.
SP-81, Industrial Development Fund/Local Match, was approved.
SP-82-83, Regional Commission Reports, were approved.
SP-84-85-86, Regional Economic Development Commission Allocations, were approved.
SP-87-88, Tourism Promotion Funds, were approved.
SP-89, North Carolina Alliance for Competitive Technologies Report, was approved.
SP-90, Division of Employment and Training and Commission on Workforce Preparedness Consolidated, was approved.
SP-91-92, Funds for Economic Development, were approved.
SP-93, North Carolina Institute for Minority Economic Development Report, was approved.
SP-94, Technological Development Authority Report, was approved.
SP-95, World Trade Center Funds, was approved.
SP-96-97, Center for Community self-help Funds, were approved.
SP-98-99, MCNC, were approved.
SP-100-101, Biotechnology Center, was approved.
SP-102-103, Biotechnology Funds for Minority Universities, were approved.
SP-104-105-106, Rural Economic Development Center, was approved.
SP-107-108, Community Development Initiative, was approved.
SP-109-110, Opportunities Industrialization Center Funds, were approved.
SP-111, Recreation District ABC Permits, was <u>not approved</u> pending staff receiving data from the Alcoholic Beverage Control Board.
SP-112, Guest Room Cabinets for Certain Private Clubs, <u>not approved.</u>

Special Provision requests were discussed as follows:

Representative Hall requested to fund position for a coordinator in Area 3, noting that all other counties have one. He requested that the money be taken from $1.5M reserve for State Parks and Recreation. Representative Baker informed him that this is non-recurring money. Representative Hall requested that the money come out of $59,000 recurring money. Ms. Moon responded that a special provision is not needed. The staff could add to the report and would be a line item in the report.

Motion: Representative Baker moved that this be a special provision and Representative Hall's name be on it. Motion carried.

Representative Culp asked if a special provision is needed to fund the Yadkin Pee Dee Lake project that is in the Senate and not the House. Representative Baker informed Representative Culp to find the money and go ahead and put it in the budget.

Motion: Representative Culp made a motion that the project be funded and take funds from State Parks reserve. Motion carried.

A handout was distributed on the Northeastern Economic Development Commission Membership (see attached). Representative Owens noted that he felt each district should have representation. There was much discussion.

Motion: Representative Owens made a motion that the committee adopt the handout. There was a vote by show of the hands. Three were three in favor of accepting, and six against. The motion failed.

The meeting was adjourned at 9:45 a.m. to reconvene this afternoon after session.

May 21, 1997 - 4:30 p.m.

The House Appropriations Sub-Committee on Natural and Economic Resources reconvened at 4:30 p.m. in Room 605 of the Legislative Office Building. Representative Rex L. Baker, House Co-Chair, called the meeting to order at 4:30 p.m. Members present were Representatives Baker, Mitchell, Carpenter, Culp, Fox, Hall, H. Hunter, Owens, Tolson, Weatherly, and Wilkins.

After opening remarks, Mona Moon of the Research Division, reviewed the following items:

SP-113, Environmental Education Grants,
SP-114, Grassroots Science Program,
SP-115, Forestry Aircraft Lease Receipts,
SP-116, Marine Fisheries Commission Reform Funds,
SP-117, Marine Fisheries Information Technology Report,
SP-118, Marine Patrol Vessel,
SP-119, Shellfish Rehabilitation Program,
SP-120, Soil Survey Supervisor Assignment,
SP-121, Area Three Soil and Water Regional Coordinator,
SP-122-123, Animal Waste Compliance Program Report. Representative Mitchell recommended to fund this item.
SP-124, Defer Some Animal Waste Management System Requirements. Representative Mitchell noted that dairy farms would be added to this issue.
SP-125, Odor Control Study Funds,
SP-126-127-128, Superfund Program Funds - The Committee recommended SP 128.
SP-129, Funds for Voluntary Remedial Actions,
SP-130, Pollution Prevention and Environmental Assistance to Small Businesses with Need,
SP-131, Permit Information Center,
SP-132, Agriculture Waste Research Reports,
SP-133, Town Fork Creek Soil Conservation Project,
SP-134, Meadow Branch Water Project and Deep Creek Project Funds Do Not Revert,
SP-135, Randleman Dam Funds Do Not Revert. Representative Hall noted his opposition to the item.
SP-136-137, Water Quality Permit Programs/Reserve Funds,
SP-138, Federal Funds for Water Quality Indirect Costs Used For Water Quality,
SP-139, State Match For Federal Supply And Wastewater Assistance Funds,
SP-140-141, Clean Water Trust Fund/Prioritize Between Savings Reserve Account and Clean Water Management Trust Fund - Representative Hall asked

if Cape Fear River could be included in this item. Ms. Moon explained the options: complete a grant application; they are accepting application until July 1, or to have a special provision to transfer the money directly from the funds reserved. Representative Baker stated they could apply to the Clean Water Trust Fund or could work out with the Senate during budget negotiations. The committee decided to **flag SP-141 and discuss at the next meeting.**.

SP-142-143, Partnership for the Sounds,

SP-144, Beaver Damage Control Funds - Representative Hunter asked if Bertie, Northampton, and Gates could be added to the program. Ms. Moon replied that funding for the beaver program has been on a non-recurring basis and there is no money in the general fund for this program. It directs Wildlife Commission that they may use $450,000 **of** Wildlife fund money for the program. Representative Weatherly asked if the beaver population is decreasing and requested a progress report from the Fiscal Research staff. Ms. Moon noted that the Senate did not appropriate money for the program. Representative Culp asked how the funds are allocated to the counties. Ms. Moon noted that funds go to support personnel and the activities of the individual to go to landowner sights for beaver eradication and control efforts. She noted that she is not certain of equal allocation among counties. Some counties might have more problems.

At this time, a handout which was prepared by Representative Tolson was distributed entitled Eastern North Carolina Livestock Arena funding. Representative Tolson explained it would redirect money that was allocated for food and vegetable processing to be redirected to the livestock arena. Representative Tolson moved that we incorporate this in special provision in the agriculture bill. Representative Baker recommended that the **issue be flagged until the next meeting.**

SP-146, Communicable Disease Control Aid to Counties Flexibility,

SP-147, DWI Test Changes - was <u>rejected</u>,

SP-148, DWI Test Changes,

SP-149, State Training/Environmental Health Specialists,

SP-150-151-152, Reissue Certain Wastewater Permits was flagged until next meeting,

SP-153, Childhood Lead Exposure Control,

SP-154, Extend Heart Disease and Stroke Prevention Task Force,

SP-155, Cancer Control Funds,

SP-156, Immunization Program Funding,

SP-157-158, WIC Program Funds,

SP-159, Adolescent Pregnancy Prevention Coalition of NC/Reporting

SP-160, North Carolina Healthy Start Foundation/Reporting,

SP-161, Prevent Blindness, Inc./Reporting,

SP-162, Federal Abstinence Education Funds - was flagged until next meeting.

Representative Baker stated that the committee would consider the flagged items at the meeting tomorrow. At this time, Representative Baker gave the committee the opportunity to present their special provision requests.

Representative Hunter requested the committee to take a look at the new bill on Low Income Housing Coalition. Representative Mitchell noted this was an offshoot of Housing Finance, but they weren't real enthusiastic about it and asked if a special provision could be made and Housing Finance use their money. Representative Hunter also mentioned a bill relating to small farms for promotion marketing services. Representative Fox requested that the $150,000 that was taken out for evaluating septic tank problems to be put back in. He felt it is a real health issue. Linda Sewall, Department of Environment, and Natural Resources, stated that $150,000 incorporated in the bill would allow for contracts with health departments to survey septic tanks in the Neuse River Basin to determine the percentage that was working and the alternatives. Representative Tolson suggested they look at the $150,000 allocated to tier one counties for water and sewer.

Representative Owens inquired about all the vacant positions in State Government. Representative Fox noted that the handout given to the committee lists forty-six positions have been vacant for one and a half years. Representative Owens noted that he would like for the committee to reopen discussion about State Parks and Recreation law enforcement salary adjustments, noting the inequities in salaries, and he also expressed his concern about the regional ground water management. He said that water is essential to North Carolina. If we don't manage what we have, we will have serious problems; it is a statewide problem. He noted he would like to reinstate and use non-recurring money.

The meeting was adjourned at 6:10 p.m. to reconvene tomorrow.

Respectfully submitted,

Representative Rex L. Baker
House Co-Chair

Jo Hinton
Committee Clerk

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Natural and Economic Resources 3-21-97 a.m. mtg
Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Shelia Watteri	OSBM
JW Reed	"
Johnny Gray	"
Buck Latimore	NC Industrial Commission
David Clegg	ESC
Cecil Lee	DET
Lee Dew	DENR - Health
Barry Oddotaw	DEHNR/DMCH
Peter Anderson	DEHNR/DHP
[illegible]	DEHNR
Jennifer Gree	Prevent Blindness NC
Phillip R. Wilson	Commerce
Art Plosica	NC ACTs
Angie Harris	Commerce
Leo Tilley	"
Doug Cuthreth	"
Jan Stanford	"
David Simmons	206 Valley, PA
Sandra Long	Porter & Stout
Adam Searing	NCHAC
Tim Rhodes	NCCCS
Julian D. Brown	NCIMED
Linda Dunn	REDC
Bonnie Alexander	NCCDF
Sheila Charis	State Planning
Joe M [illegible]	TDA
John [illegible]	TDA

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Natural and Economic Resources

Name of Committee | Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Dana Cope	Labor
Becky Brown	"
Anita McNeil	DEHNR (DPA)
Jane Smith	DEHNR
Peter Daniel	NCDA
Wilda Denny	NCDA
Maurice Weaver	NCDA

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Natural and Economic Resources 3-21-97 p.m. mtg.
Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Jeff Nottingham	OSBM
JW Reed	OSBM
Johnny Gray	OSBM
Sheila D. Harris	DEHNR
Sandra Long	Porter+Steel
[illegible]	Museum of Natural Sciences
Thomas Kirkman	NC Museum of Life and Science re Grassroots Science SP-114
Alan Lenton	DEHNR-MCN
Barry Goldstein	DEHNR-MCN
Joseph Butler	DEHNR-Div. Solid Wst.
Patricia A. Yancey	APPCNC / LLPB
Ebonie Alexander	NCCIL
ANDREA HARRIS	NCIMED
Julian D. Brown	NCIMED
Anita McNeil	NC DEHNR.
Mary Green	DEHNR
Jane Smith	DEHNR
Stan Adams	DEHNR
Cathey Cottle	DEHNR
Laura Hartsell	MCIC
Adam Searing	NCHAC
R. Lois Artis-Murray	DEHNR

a.m

SP-59

Joint

made tech. change

CODE NO. 97GOV-H001

Requested by: Representatives Mitchell, Baker, and Carpenter

HOME PROGRAM MATCHING FUNDS

Section *. (a) Funds appropriated in this act to the Housing Finance Agency for the federal HOME Program shall be used to match federal funds appropriated for the HOME Program. In allocating State funds appropriated to match federal HOME Program funds, the Agency shall give priority to HOME Program projects, as follows:

(1) First priority to projects that are located in counties designated as severely distressed counties under G.S. 105-130.40(c) or G.S. 105-151.17(c); and

(2) Second priority to projects that benefit persons and families whose incomes are fifty percent (50%) or less of the median family income for the local area, with adjustments for family size, according to the latest figures available from the U.S. Department of Housing and Urban Development.

The Housing Finance Agency shall report to the Joint Legislative Commission on Governmental Operations by April 1 of each year concerning the status of the HOME Program and shall include in the report information on priorities met, types of activities funded, and types of activities not funded.

(b) If the United States Congress changes the HOME Program such that matching funds are not required for a given program year, then the Agency shall not spend the matching funds appropriated under this act for that program year.

(c) Funds appropriated in this act to match federal HOME Program funds shall not revert to the General Fund on June 30, 1998, or on June 30, 1999.

SP-60

CODE NO. 97AGRIC-H003 Joint

Requested by: Representatives Mitchell, Baker, and Carpenter

MOUNTAIN STATE FAIR TO BECOME ENTERPRISE FUND

Section @. The activities of the Western North Carolina Agricultural Center and the Mountain State Fair shall be combined and operated in an enterprise fund. Current appropriated support to the Western North Carolina Agricultural Center shall be transferred on a quarterly basis with the anticipation that appropriated support will only be necessary until the combined operation develops sufficient revenue and operating reserves to become totally self-supporting.

SP-61

Joint

CODE NO. 97AGRIC-H004

Requested by: Representatives Mitchell, Baker, and Carpenter

TIMBER SALES FOR MAINTENANCE OF STATE FARMS FORESTLAND

Section @. The Department of Agriculture is authorized to expend up to one hundred thousand dollars ($100,000) each year for forestry management from funds received from the sale of timber that are deposited with the State Treasurer in a capital improvement account pursuant to G.S. 146-30. The Director of the Budget is authorized to transfer up to one hundred thousand dollars ($100,000) from the capital improvement account to the Reserve for Forestry Management in the Department of Agriculture's operating budget and to prepare succeeding continuation budget documents to include one hundred thousand dollars ($100,000) in the Reserve for Forestry Management.

SP-62

Joint

CODE NO. 97AGRIC-H005

Requested by: Representatives Mitchell, Baker, and Carpenter

TRANSFER MARITIME MUSEUM TO CULTURAL RESOURCES

Section @. The 17.25 positions, support, and equipment in the North Carolina Maritime Museum, Department of Agriculture, shall be transferred to the Department of Cultural Resources.

SP-63

Makes clarifying changes

CODE NO. 97AGRIC-H005A

Requested by: Representatives Mitchell, Baker, and Carpenter

TRANSFER MARITIME MUSEUM TO CULTURAL RESOURCES

Section @. The North Carolina Maritime Museum, all funds appropriated by the General Assembly for the museum, and all resources and personnel provided for the museum by the Department of Agriculture are transferred from the Department of Agriculture to the Department of Cultural Resources. This transfer shall have all of the elements of a Type I transfer, as that term is defined in G.S. 143A-6(a). Where a conflict arises in connection with the transfer, the transfer shall be resolved by the Governor, and the decision of the Governor shall be final.

SP-64

Senate only

CODE NO. 97AGRIC-H006

Requested by: Representatives Mitchell, Baker, and Carpenter

WESTERN NORTH CAROLINA DEVELOPMENT ASSOCIATION

Section @. The Western North Carolina Development Association shall:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1996-97 program activities, objectives, and accomplishments;
   b. State fiscal year 1996-97 itemized expenditures and fund sources;
   c. State fiscal year 1997-98 planned activities, objectives, and accomplishments, including actual results through December 31, 1997; and
   d. State fiscal year 1997-98 estimated itemized expenditures and fund sources, including actual expenditures and fund sources through December 31, 1997.

(2) By January 15, 1999, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1997-98 program activities, objectives, and accomplishments;
   b. State fiscal year 1997-98 itemized expenditures and fund sources;
   c. State fiscal year 1998-99 planned activities, objectives, and accomplishments, including actual results through December 31, 1998; and
   d. State fiscal year 1998-99 estimated itemized expenditures and fund sources, including actual expenditures and fund sources through December 31, 1998.

(3) Provide a copy of the Association's annual audited financial statement to the Fiscal Research Division within 30 days of issuance of the statement.

SP-65

Senate only

CODE NO. 97AGRIC-H007

Requested by: Representatives Mitchell, Baker, and Carpenter

INCREASE GRAPE GROWERS FUNDS

Section @. G.S. 105-113.81A reads as rewritten:

"**§ 105-113.81A. Distribution of part of wine taxes attributable to North Carolina wine.**

The Secretary shall on a quarterly basis credit to the Department of Agriculture ninety-four percent (94%) of the net proceeds of the excise tax collected on unfortified wine bottled in North Carolina during the previous quarter and ninety-five percent (95%) of the net proceeds of the excise tax collected on fortified wine bottled in North Carolina during the previous quarter, ~~provided~~ except that the amount credited to the Department of Agriculture under this section shall not exceed ~~ninety~~ one hundred fifty thousand dollars ~~($90,000)~~ ($150,000) per fiscal year. The Department of Agriculture shall allocate the funds received under this section to the North Carolina Grape Growers Council to be used to promote the North Carolina grape and wine industry and to contract for research and development services to improve viticultural and enological practices in North Carolina. Any funds credited to the Department of Agriculture under this section that are not expended by June 30 of any fiscal year may not revert to the General Fund, but shall remain available to the Department for the uses set forth in this section."

SP-66

Governor's recommendation
House Flagged

CODE NO. 97AGRIC-H008A-S12.5

Requested by: Representatives Mitchell, Baker, Carpenter

RESERVE FOR FARM LOANS

Section @. Funds in the Reserve for Farm Loans shall be used for the purposes set out in Chapter 122D of the General Statutes, but shall not be used for the administration of that Chapter. Interest on funds in the Reserve for Farm Loans and interest from agricultural loans, as defined in G.S. 122D-3, may be used for any of the purposes set out in Chapter 122D of the General Statutes and for the administration of that Chapter.

SP-67

Senate version

CODE NO. 97AGRIC-H008

Requested by: Representatives Mitchell, Baker, and Carpenter

AUTHORIZE THE AGRICULTURAL FINANCE AUTHORITY TO USE THE INTEREST FROM THE RESERVE FOR FARM LOANS FOR ADMINISTRATIVE EXPENSES

Section @. G.S. 122D-16 reads as rewritten:

"**§ 122D-16. Trust funds.** (a) Notwithstanding any other provisions of law to the contrary, all moneys received pursuant to the authority of this Chapter shall be deemed to be trust funds to be held and applied solely as provided in this Chapter. Interest earned from these moneys and interest received from loans made from these moneys may be used for any purpose set out in this Chapter and for the costs of administering this Chapter. The resolution authorizing any obligations or the trust agreement securing ~~the same~~ any obligations may provide that any of ~~such~~ these moneys may be temporarily invested pending the disbursement ~~thereof~~ of the moneys and shall provide that any officer with whom, or any bank or trust company with which, such moneys shall be deposited, shall act as trustee of ~~such~~ the moneys and shall hold and apply the ~~same~~ moneys for the purposes ~~hereof,~~ under this Chapter, subject to ~~such regulations as this Chapter and such resolution or trust agreement may provide.~~ any rules adopted pursuant to this Chapter and any provisions in the provision or trust agreement. ~~Any such moneys or any other~~

(b) All moneys of the Authority may be invested in the following:

(1) Bonds, notes or treasury bills of the United States;

(2) Non-convertible debt securities of the following issuers:

a. The Federal Home Loan Bank Board;

b. The Federal National Mortgage Association;

c. The Federal Farm Credit Bank; and

d. The Student Loan Marketing Association;

(3) Any other obligations not listed above which are guaranteed as to principal and interest by the United States or any of its agencies;

(4) Certificates of deposit and other evidences of deposit at state and federal chartered banks and savings and loan associations; provided that any principal amount of such certificate in excess of the amount insured by the federal government or any agency thereof be fully collateralized;

(5) Obligations of the United States or its agencies under a repurchase agreement for a shorter time than the maturity date of the security itself if the market value of the security itself is more than the amount of funds invested;

(6) Money market funds whose portfolios consist of any of the foregoing investments;

(7) A guaranteed investment or similar contract, which provides for the investment of funds at a guaranteed rate of return, with an insurance company or depository financial institution with a claim paying rating of no less than either of the two highest grades given by a nationally recognized rating agency; and

(8) Any other investment authorized by law for the investment of funds by a unit of local government."

SP-69

CODE NO. 97LAB-H001B

Requested by: Representatives Mitchell, Baker, Carpenter, and Owens

OSHA TECHNICAL ASSISTANCE

Section @. (a) Article 22 of Chapter 95 of the General Statutes is amended by adding a new section to read:

"**§ 95-255.1. Technical assistance.**

Employers notified pursuant to G.S. 95-255(a) shall be offered technical assistance from the Division of Occupational Safety and Health to reduce injuries and illnesses in their workplaces."

(b) G.S. 95-136.1(b) reads as rewritten:

"(b) The Department shall develop and implement a special emphasis inspection program that targets for special emphasis inspection employers who:

(1) Have a high rate of serious or willful violations of any standard, rule, order, or other requirement under this Article, or of regulations prescribed pursuant to the Federal Occupational Safety and Health Act of 1970, in a one-year period;

(2) Have a high rate of work-related deaths, or a high rate of work-related serious injuries or illnesses, in a one-year period; or

(3) Are engaged in a type of industry determined by the Department to be at high risk for serious or fatal work-related injuries or ~~illnesses; or~~ illnesses.

~~(4) Have an experience modification rating established for workers' compensation premium rates that is significantly higher than the State average. For purposes of targeting employers under this subdivision, the Department, in consultation with the North Carolina Rate Bureau and the Commissioner of Insurance, shall set the experience modification rating threshold for determining a rating that is significantly higher than the State average.~~

To identify an employer for a special emphasis inspection, the Department shall use the most current data available from its own database and from other sources, including State departments, divisions, boards, commissions, and other State entities. The Department shall ensure that every employer targeted for a special emphasis inspection is inspected at least one time within the two-year period following targeting of the employer by the

Department. The Department shall update its special emphasis inspection records at least annually."

(c) The Department of Labor shall use up to the sum of four hundred fifty thousand dollars ($450,000) in additional federal funds received from the United States Department of Labor under the federal OSHA 23(g) grant to provide technical assistance to employers notified pursuant to G.S. 95-255(a).

SP-71

CODE NO. 97LAB-H002

Requested by: Representatives Mitchell, Baker, Carpenter

ESTABLISH DEPARTMENTAL SAFETY OFFICER

Section @. The Department of Labor shall use up to the sum of fifty thousand dollars ($50,000) in additional federal funds received from the United States Department of Labor under the federal OSHA 23(g) grant to establish a departmental Safety Officer.

SP-72

Senate version

CODE NO. 97COMM-H026

Requested by: Representatives Mitchell, Baker, Carpenter

JOB TRAINING STUDY COMMISSION

Section @. (a) The General Assembly intends to reorganize the State's workforce development system to improve the delivery of job training programs and services in North Carolina.

(b) There is created a Legislative Study Commission on Job Training Programs. The purpose of the Commission is to review State and federally funded job training programs and services currently in existence to determine the feasibility of eliminating or consolidating those which are duplicative, inefficient, or ineffective in carrying out their purposes and activities.

(c) The Commission shall consist of six members appointed by the Speaker of the House of Representatives, at least three of whom shall be members of the House of Representatives, and six members appointed by the President Pro Tempore of the Senate, at least three of whom shall be members of the Senate. The Speaker shall designate one Representative as cochair and the President Pro Tempore shall designate one Senator as cochair. Vacancies on the Commission shall be filled by the same appointing officer who made the initial appointment. The Commission shall expire upon delivering its final report to the 1997 General Assembly (1998 Regular Session).

The Commission, while in the discharge of official duties, may exercise all powers provided for under the provisions of G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4. The Commission may meet at any time upon the joint call of the cochairs. The Commission may meet in the Legislative Building or the Legislative Office Building. The Commission may contract for professional, clerical, or consultant services as provided by G.S. 120-32.02.

The Legislative Services Commission, through the Legislative Administrative Officer, shall assign professional staff to assist the Commission in its work. The House of Representatives' and the Senate's Supervisors of Clerks shall assign clerical staff to the Commission, and the expenses relating to the clerical employees shall be borne by the Commission. Members of the Commission shall receive subsistence and travel expenses at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

(d) The Commission shall have the following powers and duties:

(1) To review State and federal laws, rules, and regulations pertaining to job training programs to determine the purpose of each program, the population served, and each program's annual outcomes in terms of type of training received, work search efforts, and job placement;

(2) To ascertain as far as possible the intention of the United States Congress with respect to continued funding of federally mandated job training programs and any changes in funding formulae;

(3) To review the amount of State and federal dollars appropriated for each job training program conducted in this State and to review federal requirements for continuous federal funding of the programs;

(4) To review the number of different State agencies that administer State and federal job training programs, the number of persons employed to implement each job training program, and the amount of State dollars needed annually to implement the program;

(5) To determine whether federally funded job training programs in this State may lawfully be abolished or reduced in size by the General Assembly, and the impact of such reduction or elimination;

(6) To conduct public hearings to receive citizen, State agency, and local government comment and experience with the job training programs;

(7) To conduct other studies or activities to aid the Commission in carrying out its purpose and duties, including reviewing reorganization and consolidation efforts in other states; and

(8) To ensure program evaluation and accountability for all workforce development programs and to create a comprehensive statewide focus on workforce development.

(e) The Commission shall report to the 1997 General Assembly (1998 Regular Session), the Joint Legislative Commission on Governmental Operations, and the Joint Legislative Education Oversight Committee not later than May 1, 1998. The report shall identify each job training program operating in the State and

recommend whether each program should be expanded, continued without change, abolished, consolidated with another program, or otherwise modified, including implementation components.

(f) All State departments and agencies and local governments and their subdivisions shall furnish the Commission with any information in their possession or available to them.

(g) Notwithstanding G.S. 96-5(f), there is appropriated from the Worker Training Trust Fund to the General Assembly the sum of fifty thousand dollars ($50,000) for the 1997-98 fiscal year to implement this section.

SP-75

Same as Senate

CODE NO. 97COMM-H027

Requested by: Representatives Mitchell, Baker, Carpenter

NC REAL ENTERPRISES REPORTING

Section @. NC REAL Enterprises shall do the following:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1996-97 program activities, objectives, and accomplishments;
   b. State fiscal year 1996-97 itemized expenditures and fund sources;
   c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997; and
   d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997;

(2) By January 15, 1999, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1997-98 program activities, objectives, and accomplishments;
   b. State fiscal year 1997-98 itemized expenditures and fund sources;
   c. State fiscal year 1998-99 planned activities, objectives, and accomplishments including actual results through December 31, 1998; and
   d. State fiscal year 1998-99 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1998; and

(3) Provide to the Fiscal Research Division a copy of the organization's annual audited financial statement within 30 days of issuance of the statement.

SP-76

Same as Senate

CODE NO. 97COMM-H025

Requested by: Representatives Mitchell, Baker, Carpenter

SPECIAL EMPLOYMENT SECURITY ADMINISTRATION FUND

Section @. (a) Notwithstanding G.S. 96-5(c), there is appropriated from the Special Employment Security Administration Fund to the Employment Security Commission of North Carolina, the sum of two million dollars ($2,000,000) for the 1997-98 fiscal year and the sum of two million dollars ($2,000,000) for the 1998-99 fiscal year for administration of the Employment Services and Unemployment Insurance Programs.

(b) Supplemental federal funds or other additional funds received by the Employment Security Commission for similar purposes shall be expended prior to the expenditure of funds appropriated by this section.

SP-77

Same as Senate

CODE NO. 97COMM-H028

Requested by: Representatives Mitchell, Baker, Carpenter

INDUSTRIAL RECRUITMENT COMPETITIVE FUND

Section @. (a) Funds appropriated in this act to the Department of Commerce for the Industrial Recruitment Competitive Fund shall be used to continue the Fund. The purpose of the Fund is to provide financial assistance to those businesses or industries deemed by the Governor to be vital to a healthy and growing State economy and that are making significant efforts to establish or expand in North Carolina. Monies allocated from the Fund shall be used for the following purposes:

(1) Installation or purchase of equipment;

(2) Structural repairs, improvements, or renovations of existing buildings to be used for expansion; and

(3) Construction of or improvements to new or existing water, sewer, gas or electric utility distribution lines, or equipment for existing buildings.

Monies may also be used for construction of or improvements to new or existing water, sewer, gas or electric utility distribution lines, or equipment to serve new or proposed industrial buildings used for manufacturing and industrial operations. The Governor shall adopt guidelines and procedures for the commitment of monies from the Fund.

(b) The Department of Commerce shall report on or before October 1, 1997, and quarterly thereafter to the Joint Legislative Commission on Governmental Operations on the commitment, allocation, and use of funds allocated from the Industrial Recruitment Competitive Fund.

SP-78

Joint
Senate revised to reflect reduction

97COMM-H015

Requested by: Representatives Mitchell, Baker, Carpenter
COUNCIL OF GOVERNMENT FUNDS

Section @. (a) Of the funds appropriated in this act to the Department of Commerce, eight hundred sixty-four thousand two hundred seventy dollars ($864,270) for the 1997-98 fiscal year and eight hundred sixty-four thousand two hundred seventy dollars ($864,270) for the 1998-99 fiscal year shall only be used as provided by this section. Each regional council of government or lead regional organization is allocated up to forty-eight thousand fifteen dollars ($48,015) for each fiscal year, with the actual amount calculated as provided in subsection (b) of this section.

(b) The funds shall be allocated as follows: A share of the maximum forty-eight thousand fifteen dollars ($48,015) each fiscal year shall be allocated to each county and smaller city based on the most recent annual estimate of the Office of State Planning of the population of that county (less the population of any larger city within that county) or smaller city, divided by the sum of the total population of the region (less the population of larger cities within that region) and the total population of the region living in smaller cities. Those funds shall be paid to the regional council of government for the region in which that city or county is located upon receipt by the Department of Commerce of a resolution of the governing board of the county or city requesting release of the funds. If any city or county does not so request payment of funds by June 30 of a State fiscal year, that share of the allocation for that fiscal year shall revert to the General Fund.

(c) A regional council of government may use funds appropriated by this section only to assist local governments in grant applications, economic development, community development, support of local industrial development activities, and other activities as deemed appropriate by the member governments.

(d) Funds appropriated by this section shall not be used for payment of dues or assessments by the member governments and shall not supplant funds appropriated by the member governments.

(e) As used in this section, "Larger City" means an incorporated city with a population of 50,000 or over. "Smaller City" means any other incorporated city.

SP-79

Joint

CODE NO. 97COMM-H003

Requested by: Representatives Mitchell, Baker, and Carpenter

PETROLEUM OVERCHARGE ATTORNEYS' FEES

Section *. (a) Unless prohibited by federal law, rule, or regulation or preexisting settlement agreement, no later than October 1, 1989, the North Carolina Attorney General shall direct the withdrawal of all funds received in the cases of **United States v. Exxon and Stripper Well** that are held in accounts or reserves located out-of-state for payment of attorneys' fees and reasonable expenses incurred in connection with oil overcharge litigation authorized by the Attorney General. The Attorney General shall deposit these funds, and all funds to be received from Petroleum Overcharge Funds in the future for attorneys' fees and reasonable expenses, into the Special Reserve for Oil Overcharge Funds.

(b) All attorneys' fees and reasonable expenses incurred in connection with oil overcharge litigation shall be paid by the State Treasurer from Petroleum Overcharge Funds that have been received by this State and deposited into the Special Reserve for Oil Overcharge Funds.

(c) Notwithstanding any other provision of law, the Attorney General may authorize the payment of attorneys' fees and reasonable expenses from the Special Reserve for Oil Overcharge Funds without further action of the General Assembly, and funds are hereby appropriated from the Special Reserve for Oil Overcharge Funds for the 1997-98 fiscal year and for the 1998-99 fiscal year for that purpose.

SP-80

Joint

CODE NO. 97COMM-H004

Requested by: Representatives Mitchell, Baker, and Carpenter

PETROLEUM OVERCHARGE FUNDS ALLOCATION

Section *. (a) The funds and interest thereon received from the case of the **United States v. Exxon** are deposited in the Special Reserve for Oil Overcharge Funds. There is appropriated from the Special Reserve to the Department of Commerce the sum of one million two hundred thousand dollars ($1,200,000) for the 1997-98 fiscal year and the sum of one million two hundred thousand dollars ($1,200,000) for the 1998-99 fiscal year to be used for projects under the State Energy Efficiency Programs.

(b) There is appropriated from funds and interest thereon received from the United States Department of Energy's Stripper Well Litigation (MDL378) that remain in the Special Reserve for Oil Overcharge Funds to the Department of Commerce the sum of one million dollars ($1,000,000) for the 1997-98 fiscal year and the sum of one million eight hundred thousand dollars ($1,800,000) for the 1998-99 fiscal year to be allocated for the Residential Energy Conservation Assistance Programs (RECAP).

(c) Any funds remaining in the Special Reserve for Oil Overcharge Funds after the allocations made pursuant to subsections (a) and (b) of this section may be expended only as authorized by the General Assembly. All interest or income accruing from all deposits or investments of cash balances shall be credited to the Special Reserve Oil Overcharge Funds.

(d) The funds and interest thereon received from the Diamond Shamrock Settlement that remain in a reserve in the Office of State Budget and Management for the Department of Commerce to administer the petroleum overcharge funds pursuant to Section 112 of Chapter 830 of the 1987 Session Laws shall continue to be available to the Department of Commerce on an as-needed basis.

(e) The Department of Commerce shall submit comprehensive annual reports to the General Assembly by May 15, 1998, and January 31, 1999, which detail the use of all Petroleum Overcharge Funds. Any State department or agency that has received Petroleum Overcharge Funds shall provide all information requested by the Department of Commerce for the purpose of preparing these reports.

SP-81

Joint

CODE NO. 97COMM-H007

Requested by: Representatives Mitchell, Baker, Carpenter

INDUSTRIAL DEVELOPMENT FUND/LOCAL MATCH

Section @. Local governments requesting financial assistance from the Industrial Development Fund that wish to request to be exempted from the local matching requirements placed on the receipt of this assistance shall demonstrate to the satisfaction of the Department of Commerce that it would be an economic hardship for the local government to match State assistance from the Fund with local funds. The Department shall develop guidelines for determining hardship.

Joint SP-82

CODE NO. 97COMM-H008

Requested by: Representatives Mitchell, Baker, Carpenter

REGIONAL COMMISSION REPORTS

Section @. (a) Each regional development commission receiving a grant-in-aid from the Department of Commerce shall:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations, the Fiscal Research Division, and the Department of Commerce the following information:

a. State fiscal year 1996-97 program activities, objectives, and accomplishments;

b. State fiscal year 1996-97 itemized expenditures and fund sources;

c. State fiscal year 1997-98 planned activities, objectives, and accomplishments as specified in subsection (b)(1) through (b)(6) of this section including actual results through December 31, 1997;

d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997.

(2) By January 15, 1999, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations, the Fiscal Research Division, and the Department of Commerce the following information:

a. State fiscal year 1997-98 program activities, objectives, and accomplishments;

b. State fiscal year 1997-98 itemized expenditures and fund sources;

c. State fiscal year 1998-99 planned activities, objectives, and accomplishments as specified in subsection (b)(1) through (b)(6) of this section including actual results through December 31, 1998;

d. State fiscal year 1998-99 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1998.

(3) Provide to the Fiscal Research Division and the Department of Commerce a copy of its annual audited financial statement within 30 days of issuance of the statement.

(b) Each regional economic development commission receiving a grant-in-aid from the Department of Commerce in each fiscal year of the 1997-99 biennium shall by the 25th day of the month following the end of a fiscal quarter, report to the Department of Commerce the following information for the most recent completed fiscal quarter:

(1) The number of and description of marketing outreach events including trade shows, recruitment missions, and related activities;

(2) The number of inquiries, leads, and prospects generated;

(3) The amount of investment and number of jobs created by the direct efforts of a commission;

(4) The amount of investment and number of jobs created by the indirect efforts of a commission;

(5) The number and listing of available sites and buildings within the region served by a commission;

(6) A listing of major accomplishments.

SP-84

Senate

CODE NO. 97COMM-H009

Requested by: Representatives Mitchell, Baker, Carpenter

REGIONAL ECONOMIC DEVELOPMENT COMMISSION ALLOCATIONS

Section @. (a) Funds appropriated in this act to the Department of Commerce for regional economic development commissions shall be allocated to the following commissions in accordance with subsection (b) of this section: Western North Carolina Regional Economic Development Commission, Research Triangle Regional Commission, Southeastern North Carolina Regional Economic Development Commission, Piedmont Triad Partnership, Northeastern North Carolina Regional Economic Development Commission, Global TransPark Development Commission, and Carolinas Partnership, Inc.

(b) Funds appropriated pursuant to subsection (a) of this section shall be allocated to each regional economic development commission as follows:

(1) First, the Department shall establish each commission's allocation by determining the sum of allocations to each county that is a member of that commission. Each county's allocation shall be determined by dividing the county's enterprise factor by the sum of the enterprise factors for eligible counties and multiplying the resulting percentage by the amount of the appropriation. As used in this subdivision, the term "enterprise factor" means a county's enterprise factor as calculated under G.S. 105-129.3;

(2) Next, the Department shall subtract from funds allocated to the Global TransPark Development Zone the sum of two hundred seventy-six thousand nine hundred twenty-three dollars ($276,923) in each fiscal year, which sum represents the interest earnings in each fiscal year on the estimated balance of seven million five hundred thousand dollars ($7,500,000) appropriated to the Global TransPark Development Zone in Section 6 of Chapter 561 of the 1993 Session Laws; and

(3) Next, the Department shall redistribute the sum of two hundred seventy-six thousand nine hundred twenty-three dollars ($276,923) in each fiscal year to the seven regional economic development commissions named in subsection (a) of this

section. Each commission's share of this redistribution shall be determined according to the enterprise factor formula set out in subdivision (1) of this subsection. This redistribution shall be in addition to each commission's allocation determined under subdivision (1) of this subsection.

REGIONAL COMMISSION ALLOCATIONS (Estimated per Funding Formula in the Senate Budget)							
		*Governor's Budget**		*Senate Budget***		*House NER*	
			+/-		+/-		+/-
	FY 1996-97	FY 1997-98	Change Over	FY 1997-98	Change Over	FY 1997-98	Change Over
Regional Commission	Actual	Estimated	FY 1996-97	Estimated	FY 1996-97	Estimated	FY 1996-97
Carolinas Partnership	414,767	436,471	21,704	416,659	1,892	400,810	(13,957)
GTP	391,884	401,341	9,457	370,554	(21,330)	345,924	(45,960)
Northeast	1,093,954	1,050,606	(43,348)	1,002,918	(91,036)	964,767	(129,187)
Piedmont	431,581	440,397	8,816	420,407	(11,174)	404,415	(27,166)
RTP	435,537	428,291	(7,246)	408,851	(26,686)	393,298	(42,239)
Southeast	673,583	642,273	(31,310)	613,120	(60,463)	589,797	(83,786)
West	1,238,694	1,280,620	41,926	1,222,492	(16,202)	1,175,989	(62,705)
Total	***4,680,000***	***4,680,000***	***0***	***4,455,000***	***(225,000)***	***4,275,000***	***(405,000)***
* *The Governor's budget did not include a recommended funding formulal*							
** *The Senate budget assumes the applicable interest earnings for the GTP Commission to be $276,923*							

SP-86

SP-87

Joint

CODE NO. 97COMM-H005

Requested by: Representatives Mitchell, Baker, and Carpenter

TOURISM PROMOTION FUNDS

Section *. Funds appropriated in this act to the Department of Commerce for tourism promotion grants shall be allocated according to per capita income, unemployment, and population growth in an effort to direct funds to counties most in need in terms of lowest per capita income, highest unemployment, and slowest population growth, in the following manner:

(1) Counties 1 through 20 are each eligible to receive a maximum grant of $7,500 for each fiscal year, provided these funds are matched on the basis of one non-State dollar for every four State dollars.

(2) Counties 21 through 50 are each eligible to receive a maximum grant of $3,500 for two of the next three fiscal years, provided these funds are matched on the basis of one non-State dollar for every three State dollars.

(3) Counties 51 through 100 are each eligible to receive a maximum grant of $3,500 for alternating fiscal years, beginning with the 1991-92 fiscal year, provided these funds are matched on the basis of four non-State dollars for every State dollar.

SP-88

follows House $
language same as Senate

CODE NO. 97COMM-H016

Requested by: Representatives Mitchell, Baker, Carpenter

RURAL TOURISM DEVELOPMENT FUNDS

Section @. Of the funds appropriated in this act to the Department of Commerce for the 1997-98 fiscal year, the sum of one hundred thousand dollars ($100,000) shall be used for the Rural Tourism Development Grant Program. The Department shall establish and implement this Program to provide grants to local governments and nonprofit organizations to encourage the development of new tourism projects and activities in rural areas of the State. The Department shall develop procedures for the administration and distribution of funds allocated to the Rural Tourism Development Program under the following guidelines:

(1) Eligible organizations shall make application under procedures established by the Department;

(2) Eligible organizations shall be nonprofit tourism-related organizations located in the State's rural regions;

(3) Priority shall be given to eligible organizations that have significant involvement of travel and tourism-related businesses;

(4) Priority shall be given to eligible organizations serving economically distressed rural counties;

(5) Priority shall be given to eligible organizations that match funds; and

(6) Funds shall not be used for renting or purchasing land or buildings, or for financing debt.

No recipient or new tourism project shall receive a total of more than fifty thousand dollars ($50,000) of these grant funds for the 1997-98 fiscal year.

SR 89

follows $ in House report

CODE NO. 97COMM-H024

Requested by: Representatives Mitchell, Baker, Carpenter

NORTH CAROLINA ALLIANCE FOR COMPETITIVE TECHNOLOGIES REPORT

Section @. The North Carolina Alliance for Competitive Technologies, a Division of the Department of Commerce, shall do the following:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1996-97 program activities, objectives, and accomplishments;
   b. State fiscal year 1996-97 itemized expenditures and fund sources;
   c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997; and
   d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997; and

(2) By January 15, 1999, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1997-98 program activities, objectives, and accomplishments;
   b. State fiscal year 1997-98 itemized expenditures and fund sources;
   c. State fiscal year 1998-99 planned activities, objectives, and accomplishments including actual results through December 31, 1998; and
   d. State fiscal year 1998-99 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1998.

CODE NO. 97COMM-H006A

Requested by: Representatives Mitchell, Baker, Carpenter

DIVISION OF EMPLOYMENT AND TRAINING AND COMMISSION ON WORKFORCE PREPAREDNESS CONSOLIDATED

Sec. @. The Department of Commerce shall consolidate the functions, staff, and budget of the Commission on Workforce Preparedness into the Division of Employment and Training. In consolidating these departmental entities, the Department shall eliminate budget expenditures and personnel positions, including management, that are duplicative. To the maximum extent possible, the Department shall use the efficiencies realized from the consolidation of the entities and the elimination of duplicative positions and budget expenditures to increase funds available for job training for individuals eligible for services under State and federal programs administered by the Division of Employment and Training. The Department shall complete the consolidation required under this section not later than October 1, 1997, and shall report on the consolidation to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division not later than November 1, 1997.

SP-91
follows #1 in House report

CODE NO. 97COMM-H017

Requested by: Representatives Mitchell, Baker, Carpenter

FUNDS FOR ECONOMIC DEVELOPMENT

Section @. (a) Of the funds appropriated in this act to the Department of Commerce, the sum of nine hundred twenty-five thousand dollars ($925,000) for the 1997-98 fiscal year shall be allocated as follows:

(1) $300,000 to the Land Loss Prevention Project, Inc., to provide free legal representation to low-income, financially distressed small farmers. The Land Loss Prevention Project, Inc., shall not use these funds to represent farmers who have income and assets that would make them financially ineligible for legal services pursuant to Title 45, Part 1611 of the Code of Federal Regulations;

(2) $250,000 to the North Carolina Coalition of Farm and Rural Families, Inc., for its Small Farm Economic Development Project. These funds shall be used to foster economic development within the State's rural farm communities by offering marketing and technical assistance to small and limited resource farmers; and

(3) $375,000 to the North Carolina Minority Support Center (formerly known as the Minority Credit Union Support Center) for technical assistance to community-based minority credit unions.

(b) Each of the nonprofit organizations receiving funds under this section shall:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:

a. State fiscal year 1996-97 program activities, objectives, and accomplishments;

b. State fiscal year 1996-97 itemized expenditures and fund sources;

c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997; and

d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual

expenditures and fund sources through December 31, 1997.

(2) Provide to the Fiscal Research Division a copy of the organization's annual audited financial statement within 30 days of issuance of the statement.

SP-93

follows # reporting requirement

CODE NO. 97COMM-H018

Requested by: Representatives Mitchell, Baker, Carpenter

NORTH CAROLINA INSTITUTE FOR MINORITY ECONOMIC DEVELOPMENT REPORT

Sec. @. The North Carolina Institute for Minority Economic Development, Inc. shall do the following:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1996-97 program activities, objectives, and accomplishments;
   b. State fiscal year 1996-97 itemized expenditures and fund sources;
   c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997; and
   d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997;

(2) By January 15, 1999, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1997-98 program activities, objectives, and accomplishments;
   b. State fiscal year 1997-98 itemized expenditures and fund sources;
   c. State fiscal year 1998-99 planned activities, objectives, and accomplishments including actual results through December 31, 1998; and
   d. State fiscal year 1998-99 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1998; and

(3) Provide to the Fiscal Research Division a copy of the organization's annual audited financial statement within 30 days of issuance of the statement.

SP-94

same as Senate

CODE NO. 97COMM-H010

Requested by: Representatives Mitchell, Baker, Carpenter

TECHNOLOGICAL DEVELOPMENT AUTHORITY REPORT

Section @. The Technological Development Authority, Inc., shall do the following:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1996-97 program activities, objectives, and accomplishments;
   b. State fiscal year 1996-97 itemized expenditures and fund sources;
   c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997; and
   d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997;

(2) By January 15, 1999, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1997-98 program activities, objectives, and accomplishments;
   b. State fiscal year 1997-98 itemized expenditures and fund sources;
   c. State fiscal year 1998-99 planned activities, objectives, and accomplishments including actual results through December 31, 1998; and
   d. State fiscal year 1998-99 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1998; and

(3) Provide to the Fiscal Research Division a copy of the organization's annual audited financial statement within 30 days of issuance of the statement.

SP-95

follows # in report
same as Senate

CODE NO. 97COMM-H019

Requested by: Representatives Mitchell, Baker, Carpenter

WORLD TRADE CENTER FUNDS

Section @. Of the funds appropriated in this act to the Department of Commerce, the sum of three hundred thousand dollars ($300,000) for the 1997-98 fiscal year shall be allocated to the World Trade Center North Carolina (WTCNC) to support international trade education programs for small- and medium-sized businesses. The World Trade Center North Carolina shall:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1996-97 program activities, objectives, and accomplishments;
   b. State fiscal year 1996-97 itemized expenditures and fund sources;
   c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997;
   d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997.

(2) Provide to the Fiscal Research Division a copy of the Center's annual audited financial statement within 30 days of issuance of the statement.

follows # in House SP-96.
language same as Senate

CODE NO. 97COMM-H020

Requested by: Representatives Mitchell, Baker, Carpenter

CENTER FOR COMMUNITY SELF-HELP FUNDS

Section @. (a) Of the funds appropriated in this act to the Department of Commerce, the sum of three million dollars ($3,000,000) for the 1997-98 fiscal year shall be allocated to the Center for Community Self-Help to further a statewide program of lending for home ownership throughout North Carolina. These funds will be leveraged on a ten-to-one basis, generating at least ten dollars ($10.00) of nontraditional home loans for every one dollar ($1.00) of State funds. Payments of principal shall be available for further loans or loan guarantees.

(b) The Center for Community Self-Help shall submit, within 180 days after the close of its fiscal year, audited financial statements to the State Auditor. All records pertaining to the use of State funds shall be made available to the State Auditor upon request. The Center for Community Self-Help shall make quarterly reports on the use of State funds to the State Auditor, in form and format prescribed by the State Auditor or his designee. The Center for Community Self-Help shall make a written report by May 1 of each year for the next three years to the General Assembly on the use of the funds allocated under this section.

(c) The Center for Community Self-Help shall report to the Joint Legislative Commission on Governmental Operations, the House Appropriations Subcommittee on Natural and Economic Resources, the Senate Appropriations Committee on Natural and Economic Resources, and the Department of Commerce on a quarterly basis for the next three years.

(d) The Office of the State Auditor may conduct an annual end-of-year audit of the revolving fund for economic development lending created by this appropriation for each year of the life of the revolving fund.

(e) If the Center for Community Self-Help dissolves, the corporation shall transfer the remaining assets of the revolving fund to the State and shall refrain from disposing of the revolving fund assets without approval of the State Treasurer.

(f) The Department of Commerce shall disburse this appropriation within 15 working days of the receipt of a request for the funds from the Center for Community Self-Help. The

request shall include a commitment of the leveraged funds by the Center for Community Self-Help or its affiliates.

SP-98

Joint

CODE NO. 97COMM-H011

Requested by: Representatives Mitchell, Baker, Carpenter
MCNC

Section @. (a) MCNC shall report on all of its programs including contractual services for the Supercomputer and the Research and Education Network. The reports shall:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1996-97 program activities, objectives, and accomplishments;
   b. State fiscal year 1996-97 itemized expenditures and fund sources;
   c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997;
   d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997.
   e. The users, major projects and benefits resulting from the activities of the Supercomputer and the Research and Education Network.
   f. The organization's progress toward achieving self-sufficiency by July 1, 1999.

(2) By January 15, 1999, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1997-98 program activities, objectives, and accomplishments;
   b. State fiscal year 1997-98 itemized expenditures and fund sources;
   c. State fiscal year 1998-99 planned activities, objectives, and accomplishments including actual results through December 31, 1998;
   d. State fiscal year 1998-99 estimated itemized expenditures and fund sources including actual

expenditures and fund sources through December 31, 1998.

e. The users, major projects and benefits resulting from the activities of the Supercomputer and the Research and Education Network.

f. The organization's progress toward achieving self-sufficiency by July 1, 1999.

(3) Provide to the Fiscal Research Division a copy of MCNC's annual audited financial statement within 30 days of issuance of the statement.

(b) The funds appropriated in this act to MCNC shall be used as follows:

	FY 1997-98	FY 1998-99
Electronic and Information Technologies Programs	$4,500,000	$2,500,000

(c) Of the funds appropriated for the Electronic and Information Technologies Programs, four million five hundred thousand dollars ($4,500,000) for the 1997-98 fiscal year and two million five hundred thousand dollars ($2,500,000) for the 1998-99 fiscal year is contingent upon a dollar-for-dollar match in non-State funds.

SP-100

Joint w/ technical change

CODE NO. 97COMM-H012

Requested by: Representatives Mitchell, Baker, Carpenter

BIOTECHNOLOGY CENTER

Section @. (a) The North Carolina Biotechnology Center shall recapture funds spent in support of successful research and development efforts in the for-profit private sector.

(b) The North Carolina Biotechnology Center shall provide funding for biotechnology, biomedical, and related bioscience applications under its Business and Science Technology Programs.

(c) The North Carolina Biotechnology Center shall:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:

a. State fiscal year 1996-97 program activities, objectives, and accomplishments;

b. State fiscal year 1996-97 itemized expenditures and fund sources;

c. state fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997; and

d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997.

(2) By January 15, 1999, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:

a. State fiscal year 1997-98 program activities, objectives, and accomplishments;

b. State fiscal year 1997-98 itemized expenditures and fund sources;

c. State fiscal year 1998-99 planned activities, objectives, and accomplishments including actual results through December 31, 1998; and

d. State fiscal year 1998-99 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1998.

(3) Provide to the Fiscal Research Division a copy of the Center's annual audited financial statement within 30 days of issuance of the statement.

(d) The North Carolina Biotechnology Center shall provide a report containing detailed budget, personnel, and salary information to the Office of State Budget and Management and to the Fiscal Research Division in the same manner as State departments and agencies in preparation for biennium budget requests.

SP-102

follows House #
joint language

CODE NO. 97COMM-H013A

Requested by: Representatives Mitchell, Baker, Carpenter

BIOTECHNOLOGY FUNDS FOR MINORITY UNIVERSITIES

Section @. Of the funds appropriated in this act from the General Fund to the North Carolina Biotechnology Center the sum of two million dollars ($2,000,000) for the 1997-98 fiscal year and the sum of one million dollars ($1,000,000) for the 1998-99 fiscal years shall be used to continue the special biotechnology program initiative for North Carolina's Public Historically Black Universities and the University of North Carolina at Pembroke. This program initiative is a means to get more funds to these institutions of higher education in the short run to help them develop their biotechnology programs and a means to develop a mechanism to improve these institutions' capacity over the long term. The Center's special initiative shall, at a minimum, provide for:

(1) A range of program activities, including grants, designed to enhance the existing strengths and capabilities of the University of North Carolina at Pembroke, and the Public Historically Black Universities;

(2) A Facilities and Infrastructure Review Committee to advise the Center on major program elements and priority projects that would be most helpful to these institutions; and

(3) A Program Advisory Panel with representation from these institutions to advise and make recommendations to the Center's President and Board of Directors on funding proposals under this initiative.

The Center shall report on its biotechnology program grants to universities to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division on or before March 1 of each fiscal year, and more frequently as requested by the Commission. These reports shall include the current number of enrollments and the capacity of enrollments in the biotechnology program in each of the universities, the number of faculty in the biotechnology program in each of the universities, whether and to what extent the enrollments, capacity, and number of faculty have changed in the last three academic years in the biotechnology program in each of the universities, how the funds allocated by this section are bein

used in each of the universities, and any other information that indicates whether these grants are accomplishing their purpose.

SP-104
follows house #

CODE NO. 97COMM-H023A

Requested by: Representatives Mitchell, Baker, Carpenter

RURAL ECONOMIC DEVELOPMENT CENTER

Section @. (a) Of the funds appropriated in this act to the Rural Economic Development Center, Inc., the sum of one million two hundred seventy thousand dollars ($1,270,000) for the 1997-98 fiscal year and the sum of one million two hundred seventy thousand dollars ($1,270,000) for the 1998-99 fiscal year shall be allocated as follows:

	1997-98 FY	1998-99 FY
Research and Demonstration Grants	$475,864	$475,864
Technical Assistance and Center Administration of Research and Demonstration Grants	444,136	444,136
Center Administration, Oversight, and Other Programs	350,000	350,000

(b) The Rural Economic Development Center, Inc., shall provide a report containing detailed budget, personnel, and salary information to the Office of State Budget and Management in the same manner as State departments and agencies in preparation for biennium budget requests.

(c) Not more than fifty percent (50%) of the interest earned on State funds appropriated to the Rural Economic Development Center, Inc., may be used by the Center for administrative purposes, including salaries and fringe benefits.

(d) For purposes of this section, the term "community development corporation" means a nonprofit corporation:

(1) Chartered pursuant to Chapter 55A of the General Statutes;

(2) Tax-exempt pursuant to section 501(c)(3) of the Internal Revenue Code of 1986;

(3) Whose primary mission is to develop and improve low-income communities and neighborhoods through economic and related development;

(4) Whose activities and decisions are initiated, managed, and controlled by the constituents of those local communities; and

(5) Whose primary function is to act as deal-maker and packager of projects and activities that will increase their constituencies' opportunities to become owners, managers, and producers of small businesses, affordable housing, and jobs designed to produce positive cash flow and curb blight in the targeted community.

(e) Of the funds appropriated in this act to the Rural Economic Development Center, Inc., the sum of five million two hundred fifty thousand dollars ($5,250,000) for the 1997-98 fiscal year and the sum of two million five hundred fift

thousand dollars ($2,550,000) for the 1998-99 fiscal year shall be allocated as follows:

(1) $1,400,000 in fiscal year 1997-98 and $1,350,000 in fiscal year 1998-99 for community development grants to support development projects and activities within the State's minority communities. Any community development corporation as defined in this section is eligible to apply for funds. The Rural Economic Development Center, Inc., shall establish performance-based criteria for determining which community development corporation will receive a grant and the grant amount. Funding shall also be allocated to the North Carolina Association of Community Development Corporations, Inc. The Rural Economic Development Center, Inc., shall allocate these funds as follows:

a. $900,000 in each fiscal year for direct grants to the local community development corporations that have previously received State funds for this purpose to support operations and project activities;

b. $250,000 in each fiscal year for direct grants to local community development corporations that have not previously received State funds;

c. $200,000 in fiscal year 1997-98 and $150,000 in fiscal year 1998-99 to the North Carolina Association of Community Development Corporations, Inc., to provide training, technical assistance, resource development, and support for local community development corporations statewide; and

d. $50,000 in each fiscal year to the Rural Economic Development Center, Inc., to be used to cover expenses in administering this section.

(2) $250,000 in each fiscal year to the Microenterprise Loan Program to support the loan fund and operations of the Program; and

(3) $3,600,000 for the 1997-98 fiscal year and $950,000 for the 1998-99 fiscal year shall be used for a program to provide supplemental funding for matching requirements for economic development in economically depressed areas. The Center shall use these funds to make grants to local governments and nonprofit corporations to provide funds necessary to match federal grants or other grants for necessary economic development projects and activities in economically depressed areas. The grant recipients shall be selected on the basis of need. Of the funds appropriated in this subdivision for the 1997-98 fiscal year, $150,000 shall be allocated to the Town of Highlands and $100,000 shall be allocated to Northampton County

for infrastructure projects. No grant receipient shall receive a total of more than $250,000 in grant awards in each fiscal year.

(f) The Rural Economic Development Center, Inc., shall:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:

a. State fiscal year 1996-97 program activities, objectives, and accomplishments;

b. State fiscal year 1996-97 itemized expenditures and fund sources;

c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997; and

d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997.

(2) By January 15, 1999, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:

a. State fiscal year 1997-98 program activities, objectives, and accomplishments;

b. State fiscal year 1997-98 itemized expenditures and fund sources;

c. State fiscal year 1998-99 planned activities, objectives, and accomplishments including actual results through December 31, 1998; and

d. State fiscal year 1998-99 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1998.

(3) Provide to the Fiscal Research Division a copy of each grant recipient's annual audited financial statement within 30 days of issuance of the statement.

SR107

CODE NO. 97COMM-H021

Requested by: Representatives Mitchell, Baker, Carpenter

COMMUNITY DEVELOPMENT INITIATIVE

Section @. Of the funds appropriated in this act to the Department of Commerce, the sum of two million dollars ($2,000,000) for fiscal year 1997-98 and the sum of two million dollars ($2,000,000) for fiscal year 1998-99 shall be used to support the grant and loan fund and operations of the North Carolina Community Development Initiative, Inc. The Initiative shall provide operating and project activity grants to mature community development corporations that have demonstrated project and organizational capacity.

The North Carolina Community Development Initiative, Inc., shall:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1996-97 program activities, objectives, and accomplishments;
   b. State fiscal year 1996-97 itemized expenditures and fund sources;
   c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997;
   d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997.

(2) By January 15, 1999, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1997-98 program activities, objectives, and accomplishments;
   b. State fiscal year 1997-98 itemized expenditures and fund sources;
   c. State fiscal year 1998-99 planned activities, objectives, and accomplishments including actual results through December 31, 1998;
   d. State fiscal year 1998-99 estimated itemized expenditures and fund sources including actual

expenditures and fund sources through December 31, 1998.

(3) Provide to the Fiscal Research Division a copy of the Initiative's annual audited financial statement within 30 days of issuance of the statement.

SP-109

same as Senate

CODE NO. 97COMM-H022

Requested by: Representatives Mitchell, Baker, Carpenter

OPPORTUNITIES INDUSTRIALIZATION CENTER FUNDS

Section @. (a) Of the funds appropriated in this act to the Rural Economic Development Center, Inc., the sum of two hundred fifty thousand dollars ($250,000) for the 1997-98 fiscal year and the sum of two hundred fifty thousand dollars ($250,000) for the 1998-99 fiscal year shall be allocated as follows:

(1) $50,000 in each fiscal year to the Opportunities Industrialization Center of Wilson, Inc., for its ongoing job training programs;

(2) $50,000 in each fiscal year to Opportunities Industrialization Center, Inc., in Rocky Mount, for its ongoing job training programs;

(3) $50,000 in each fiscal year to Pitt-Greenville Opportunities Industrialization Center, Inc., for its ongoing job training programs;

(4) $50,000 in each fiscal year to the Opportunities Industrialization Center of Lenoir, Green, and Jones Counties; and

(5) $50,000 in each fiscal year to the Opportunities Industrialization Center of Elizabeth City, Inc.

(b) The Rural Economic Development Center, Inc., shall:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:

a. State fiscal year 1996-97 program activities, objectives, and accomplishments;

b. State fiscal year 1996-97 itemized expenditures and fund sources;

c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997;

d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997.

(2) By January 15, 1999, and more frequently as requested, report to the Joint Legislative

Commission on Governmental Operations and the Fiscal Research Division the following information:

a. State fiscal year 1997-98 program activities, objectives, and accomplishments;

b. State fiscal year 1997-98 itemized expenditures and fund sources;

c. State fiscal year 1998-99 planned activities, objectives, and accomplishments including actual results through December 31, 1998;

d. State fiscal year 1998-99 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1998.

(3) Provide to the Fiscal Research Division a copy of the annual audited financial statements of the Opportunities Industrialization Centers funded by this act within 30 days of issuance of the statement.

not approved.

S.P. 111

Senate

CODE NO. 97COMM-S037

Requested by:

RECREATION DISTRICT ABC PERMITS

Section @. G.S. 18B-1006(j) reads as rewritten:

"(j) Recreation Districts. -- Notwithstanding the provisions of Article 6 of this Chapter, the Commission may issue permits for the sale of malt beverages, unfortified wine, fortified wine, and mixed beverages to qualified businesses in a recreation district.

A "recreation district" ~~is an~~ is:

(1) An area that is located in a county that has not approved the issuance of permits, has at least two cities that have approved the sale of malt beverages, wine, and the operation of an ABC store, and contains a facility of at least 450 acres where five or more public auto racing events are held each ~~year. The recreation district includes the area within a half-mile radius of the racing facility.~~ year; or

(2) An area that is located in a county that borders a county which has held elections pursuant to G.S. 18B-600(f) and borders on another state and which (i) contains a facility of at least 225 acres where four or more public auto racing events are held each year or (ii) contains a facility of at least 140 acres where 80 or more motor sports events are held each year.

The recreation district includes the area within a half-mile radius of the racing facility."

SP-112

CODE NO. 97COMM-S036

Senate

Requested by:

GUEST ROOM CABINETS FOR CERTAIN PRIVATE CLUBS

Section @. G.S. 18B-1001(13) reads as rewritten:

"(13) Guest Room Cabinet Permit. -- A guest room cabinet permit authorizes a hotel having a mixed beverages permit <u>or a private club having a mixed beverages permit and management contracts for the rental of living units</u> to sell to its room guests, from securely locked cabinets, malt beverages, unfortified wine, fortified wine, and spirituous liquor. A permittee shall designate and maintain at least ten percent (10%) of the permittee's guest rooms as rooms that do not have a guest room cabinet. A permittee may dispense alcoholic beverages from a guest room cabinet only in accordance with written policies and procedures filed with and approved by the Commission. A permittee shall provide a reasonable number of vending machines, coolers, or similar machines on premises for the sale of soft drinks to hotel guests.

A guest room cabinet permit may be issued for any of the following:

a. A hotel located in a county subject to G.S. 18B-600(f).

b. A hotel located in a county that has a population in excess of 150,000 by the last federal census.

<u>c. A qualifying private club located in a county defined in G.S. 18B-101(13a)b.2."</u>

Senate/Governor's Recommendations
Not Included in House Draft Report

	Item	FY 1997-98		FY 1998-99	
1	Fair and Exhibition Center	1,500,000	NR		
2	Stanly County Agri-Center	50,000	NR		
3	Haywood County Agri-Center	200,000	NR		
4	North Carolina Tobacco Museum	25,000	NR		
5	Western NC Development Association	37,000	R	37,000	R
6	Labor - Departmental Safety Officer	49,849	R	45,349	R
7	Forestry Additional Fire Fighting Support	2,500,000	NR		
8	Adopt-a-Trails Program	50,000	NR		
9	Parks Law Enforcement Salary Adjustment	363,407	R	374,409	R
10	Regional Wastewater Management	1,000,000	NR		
11	Federal Wastewater Assistance Matching Funds	4,001,775	NR		
12	Citizens' Monitoring Program	286,950	R	286,950	R
		6,900	NR		
13	Regional Groundwater Management	150,000	R	150,000	R
14	Straight Pipe Elimination Program	87,500	R	87,500	R
		12,500	NR		
15	Evaluation of Septic Problems	150,000	NR		
16	Federal Water Supply Assistance Matching Funds	9,222,820	NR		
17	Coastal Water Quality Monitoring	337,566	R	337,566	R
		59,500	NR		
18	Heart Disease Data Funds	100,000	NR		
19	Osteoporosis Task Force	200,000	NR		
20	Arthritis Program	15,000	NR		
21	Cape Fear River Assembly, Inc.	1,500,000	NR		
22	Roanoke-Pamlico Estuary System Water Quality	400,000	NR		
23	South Mountains Gamelands Funds - Capital	5,000,000	NR		
24	Fisheries Management Plan Program	1,570,401	R	1,570,401	R
		297,460	NR		
25	Coastal Fisheries Habitat	455,357	R	455,357	R
		176,700	NR		
26	Water Quality - Stakeholder Assistance	410,632	R	410,632	R
		212,400	NR		
27	Environmental Permits Information Center	155,000	R	123,534	R
28	New and Emerging Industry Planning	300,000	R	300,000	R
29	Increase Industrial Commissioners Salaries	113,730	R	113,730	R
30	Increase Industrial Development Fund	1,000,000	NR		
31	Year of the Mountain Reserve for Planning Initiatives	300,000	NR		
32	L.T. Walker Human Performance Center	350,000	NR		
33	Institute for Aeronautical Technology	1,000,000	NR		
34	Heritage Tourism	300,000	R	300,000	R
35	Restore Governor's Reduction - Wanchese	122,594	R	122,594	R
36	Regional Economic Development Equity	300,000	R	300,000	R
37	Yadkin/Pee Dee Lakes Project, Inc.	100,000	NR		

FACT SHEET

THE PROPOSED PARTNERSHIP TO IMPROVE NORTH CAROLINA'S PUBLIC SCHOOL VISION SCREENING PROGRAM

In 1994, the Department of Environment, Health, and Natural Resources [DEHNR] convened the North Carolina Pediatric Vision Screening Task Force, made up of the state's governmental agencies and professional organizations concerned with vision. After months of study, the Task Force unanimously found that our state's system of screening public school children for vision deficiencies has "weaknesses that significantly impair its effectiveness."

The Task Force concluded that the current system of vision screening places at risk 165,000 children in grades K-6 who have vision deficiencies that prevent them from learning properly and require correction. The system's key weakness is its reliance on untrained volunteers in public schools as the principal means of performing pediatric vision screenings.

The Task Force unanimously urged that North Carolina "move to a system of training and certifying health care professionals and school-based volunteers who participate in childhood vision screening." The Task Force, led by DEHNR, the Department of Public Instruction [DPI], and the Department of Human Resources [DHR], unanimously requested that Prevent Blindness North Carolina [PBNC], an authoritative non-profit organization, conduct a ten-county pilot project to test a system for training and certifying vision screeners.

In the fall of 1996, throughout Alamance, Caswell, Guilford, Hoke, Nash, New Hanover, Union, Vance, Wake, and Wayne counties, PBNC trained and certified 629 local vision screeners. These trained screeners screened over 50,000 children and referred over 2,700 of them to eyecare professionals for examination and possible treatment.

Surveys of local school leaders, teachers, parents, vision screeners, and eyecare professionals found that all were highly satisfied with the new program. Even more impressive, referral rates were consistent throughout the ten diverse pilot counties and were significantly better than the referral rates of untrained screeners in the same counties one year earlier.

Following the pilot project's success, DEHNR, DPI, DHR, and the state's professional health and vision organizations unanimously endorsed creation of a public-private partnership to bring training and certification of vision screeners to all 100 counties in North Carolina.

At the February 1997 meeting of the Pediatric Vision Screening Task Force, these state agencies and professional groups concluded unanimously that using PBNC's training and certification methods will be more efficient and cost-effective than a purely state-run approach to improving pediatric vision screening. The 100-county effort will require annual state funding of only $419,000 to provide trained vision screeners for over 660,000 children in grades K-6.

This public-private initiative will benefit all public school children, not just a portion of the population. It will directly improve education in North Carolina. It will reduce the number of children with treatable but undetected vision problems who are referred to expensive learning disabilities programs. And it will double the detection rate for treatable children's vision deficiencies throughout our state.

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MEMBERS OF THE
NORTH CAROLINA PEDIATRIC VISION SCREENING TASK FORCE

DEPARTMENT OF ENVIRONMENT, HEALTH, AND NATURAL RESOURCES

DEPARTMENT OF HUMAN RESOURCES

DEPARTMENT OF PUBLIC INSTRUCTION

NORTH CAROLINA STATE OPTOMETRIC SOCIETY

NORTH CAROLINA ACADEMY OF FAMILY PHYSICIANS

NORTH CAROLINA EARLY CHILDHOOD INTERVENTION PROGRAM

NORTH CAROLINA NURSES' ASSOCIATION

NORTH CAROLINA PEDIATRIC SOCIETY

NORTH CAROLINA SOCIETY OF EYE PHYSICIANS AND SURGEONS

PREVENT BLINDNESS NORTH CAROLINA

P. M.

CODE NO. 97COMM-H002A

Requested by: Representative Owens

NORTHEASTERN ECONOMIC DEVELOPMENT COMMISSION MEMBERSHIP

Sec. @. (a) G.S. 158-8.2(b) reads as rewritten:

"(b) The Commission shall consist of ~~17 members appointed~~ 15 appointed members, two ex officio members, and three additional appointed members as follows:

(1) Governor. -- Five members shall be appointed by the Governor, including one developer of northeastern North Carolina, one banker, one county commissioner from Camden, Currituck, Pasquotank, or Perquimans Counties, or from the county or counties assigned to the Commission by the Department of Commerce as authorized by law, and one county commissioner from Beaufort, Bertie, Chowan, or Martin Counties, or from the county or counties assigned to the Commission by the Department of Commerce as authorized by ~~law;~~ law.

(2) President Pro Tempore. -- Five members shall be appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate in accordance with G.S. 120-121, including one developer of northeastern North Carolina, one banker, and one county commissioner from Dare, Hyde, Tyrrell, or Washington ~~Counties;~~ Counties.

(3) Speaker. -- Five members shall be appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121, including one developer of northeastern North Carolina, one banker, and one county commissioner from Halifax, Hertford, Gates, or Northampton ~~Counties;~~ Counties.

(4) The Secretary of ~~Commerce or a designee; and~~ Commerce, or a designee.

(5) The Secretary of Environment, Health, and Natural Resources, or a designee.

(6) Additional Appointed Members. -- After the first meeting of the Commission following a change in the appointed membership of the Commission, the Commission shall determine the county of which each appointed member is a resident and shall notify the Governor and the General Assembly whether any

county of the region described in subsection (a) of this section has no appointed member residing in it. Within 30 days after receiving this notice, the Governor shall appoint one additional member and the General Assembly shall appoint two additional members, one upon the recommendation of the President Pro Tempore of the Senate in accordance with G.S. 120-121, and one upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121. If there are any counties that have no appointed members residing in the county, the additional members appointed by the Governor and the General Assembly shall be residents of these unrepresented counties, and the appointing authorities shall attempt to avoid duplicating the county of residence of one another's additional appointees. These additional members' terms of office end the next time there is a change in the appointed membership of the Commission, although the additional member may be reappointed if, after the change in appointed membership, there is still no appointed member who is a resident of the same county as the additional member.

Any person appointed to the Commission in a categorical appointment as a county commissioner may hold such office in addition to the offices permitted by G.S. 128-1.1."

Section 2. This act becomes effective July 1, 1997, and applies to changes in membership of the Northeastern North Carolina Regional Economic Development Commission that occur on or after that date.

	Worker Training Trust Fund -- House NER Proposal		
		FY 1997-98	**FY 1998-99**
	Projected Trust Fund Availability	13,776,448	13,000,000
	Carry-forward Balance	-	715,484
	Projected Trust Fund Availability (Adjusted)	13,776,448	13,715,484
	Programs		
1	ESC Local Office Operations (ESC)	6,589,964	6,589,964
2	Common Follow-up/SOICC (ESC)	225,000	225,000
3	Evaluation of Common Follow-up (OSBM)	50,000	50,000
4	Focused Industrial Training Program (Comm Colleges)	1,746,000	1,746,000
5	NC REAL Enterprises (Non Profit)	400,000	400,000
6	Division of Employment and Training (Commerce)	2,400,000	2,400,000
7	Bureau for Training Initiatives (Labor)	1,000,000	1,000,000
8	Apprenticeship Program Expansion (Labor)	500,000	1,000,000
9	Teacher Apprenticeship Program (DPI)	100,000	100,000
10	Job Training Study Commission (General Assembly)	50,000	-
	Program Expenditures Sub-Total	13,060,964	13,510,964
	Projected Trust Fund Balance (Year End)	715,484	204,520
	** Assumes a baseline recurring availability of $13,000,000*		

Reviewed 5-21
NER PM Mtg

House #

SP113

CODE NO. 97ENV-H012-S13

Requested by: Representatives Mitchell, Baker, and Carpenter

ENVIRONMENTAL EDUCATION GRANTS

Section @. (a) Of the funds appropriated in this act to the Department of Environment, Health, and Natural Resources, the sum of two hundred thousand dollars ($200,000) for the 1997-98 fiscal year shall be used to provide grants to promote environmental education throughout the State. Grants under this section may be awarded to:

(1) Schools, community organizations, and environmental education centers for the development of environmental education library collections; or

(2) School groups for field trips to environmental education centers across the State, provided the activities of the field trip are correlated with the Department of Public Instruction's curriculum objectives.

(b) The Department shall report to the Joint Legislative Commission on Governmental Operations, the Environmental Review Commission, and the Fiscal Research Division by January 1, 1998, and again by July 1, 1998, on the grant program. The report shall include a list of amounts awarded and project descriptions for each grant recipient.

House # SP-114

CODE NO. 97NATRES-H004-S13.1

Requested by: Representatives Mitchell, Baker, Carpenter

GRASSROOTS SCIENCE PROGRAM

Section @. Of the funds appropriated in this act to the Department of Environment, Health, and Natural Resources for the Grassroots Science Program, the sum of six hundred thousand dollars ($600,000) for fiscal year 1997-98 and the sum of six hundred thousand dollars ($600,000) for fiscal year 1998-99 are allocated as grants-in-aid for each fiscal year as follows:

	1997-98	1998-99
Iredell County Children's Museum	$50,000	$50,000
Museum of Coastal Carolina	$50,000	$50,000
Rocky Mount Children's Museum	$50,000	$50,000
Imagination Station	$50,000	$50,000
Western North Carolina Nature Center	$15,000	$15,000
The Health Adventure Museum of Pack Place Education, Arts and Science Center, Inc.	$35,000	$35,000
Cape Fear Museum	$50,000	$50,000
Catawba Science Center	$50,000	$50,000
Sci Works Science Center and Environmental Park of Forsyth County	$50,000	$50,000
Natural Science Center of Greensboro	$50,000	$50,000
Schiele Museum of Natural History	$50,000	$50,000
North Carolina Museum of Life and Science	$50,000	$50,000
Discovery Place	$50,000	$50,000
TOTAL	$600,000	$600,000

SP-115

CODE NO. 97NATRES-H005

Requested by: Representatives Mitchell, Baker, Carpenter

FORESTRY AIRCRAFT LEASE RECEIPTS

Section @. The Division of Forest Resources, Department of Environment, Health, and Natural Resources may use receipts received from the leasing of an amphibious water-scooping tanker aircraft to offset the operating costs associated with the aircraft.

SP-1160

CODE NO. 97NATRES-H007

Requested by: Representatives Mitchell, Baker, and Carpenter

MARINE FISHERIES COMMISSION REFORM FUNDS

Section @. (a) Of the funds appropriated in this act to the Department of Environment, Health, and Natural Resources, the sum of two hundred sixty-four thousand five hundred sixty-three dollars ($264,563) for the 1997-98 fiscal year and the sum of two hundred forty-seven thousand five hundred sixty-three dollars ($247,563) for the 1998-99 fiscal year shall be used to provide standing advisory committees and permanent staff for the Marine Fisheries Commission.

(b) The allocation of funds under subsection (a) of this section is contingent upon the enactment into law of Section 2.1 of House Bill 1097 (Second Edition) or identical legislation that reduces the membership of the Marine Fisheries Commission and requires the establishment of advisory committees for the Commission.

SP-117

CODE NO. 97NATRES-H008

Requested by: Representatives Mitchell, Baker, and Carpenter

MARINE FISHERIES INFORMATION TECHNOLOGY REPORT

Section @. The Division of Marine Fisheries of the Department of Environment, Health, and Natural Resources shall by March 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Seafood and Aquaculture, the Joint Legislative Commission on Governmental Operations, and the Fiscal Research Division the following information:

(1) An update on the consolidation and modernization of the Division's computer based management information systems.

(2) A list of objectives and performance measures for the information technologies improvement project, for each of the following phases of the project: development, implementation, and ongoing operation and maintenance of the new system.

(3) An explanation, justification, and itemized list of expenditures to date.

(4) An explanation, justification, and estimate of any additional anticipated expenditures required beyond fiscal year 1997-98 to complete the project. If additional expenditures are required, then the Division shall provide a calendar based project schedule delineating the additional phases required including the associated expenditures for each additional project phase.

(5) A calendar based project schedule delineating the various phases of the project including development, implementation, and completion. This schedule shall identify the associated expenditures for each project phase.

SP-116

Dept requested

CODE NO. 97NATRES-H010

Requested by: Representatives Mitchell, Baker, and Carpenter

MARINE PATROL VESSEL

Section @. The Department of Environment, Health, and Natural Resources shall make a reasonable effort to obtain a marine patrol vessel from excess federal property. If the Department fails to obtain such a vessel from excess federal property, then the Department may use available funds for the 1997-98 biennium, not to exceed two hundred thousand dollars ($200,000) to complete the purchase of a marine patrol vessel.

SP-119

CODE NO. 97ENV-H017

Requested by: Representative Mitchell, Baker, and Carpenter

SHELLFISH REHABILITATION PROGRAM

Section @. The Oyster Rehabilitation Program in the Division of Marine Fisheries in the Department of Environment, Health, and Natural Resources shall be renamed the Shellfish Rehabilitation Program. Funds appropriated for the Oyster Rehabilitation Program or the Shellfish Rehabilitation Program may be used for the Shellfish Rehabilitation Program. The Oyster, Clam, and Scallop Subcommittee of the Marine Fisheries Commission shall advise the Division of Marine Fisheries on the expenditure of Shellfish Rehabilitation Program funds. The Division of Marine Fisheries shall report to the Joint Legislative Commission on Seafood and Aquaculture on the expenditure of Shellfish Rehabilitation Program funds annually, beginning January 1, 1998.

SP-120

CODE NO. 97ENV-H013

Requested by: Representatives Mitchell, Baker, and Carpenter

SOIL SURVEY SUPERVISOR ASSIGNMENT

Section @. The Department of Environment, Health, and Natural Resources shall assign a soil survey supervisor to complete soil surveys in Buncombe and Madison Counties. This position shall remain assigned to these counties until the soil surveys are complete.

SP-.121

CODE NO. 97NATRES-H011

Requested by: Representative Hall

AREA THREE SOIL AND WATER REGIONAL COORDINATOR

Section @. Of the funds appropriated by this act to the Department of Environment, Health, and Natural Resources the sum of forty-six thousand six hundred dollars ($46,600) for the 1997-98 fiscal year and the sum of forty-three thousand six hundred dollars ($43,600) for the 1998-99 fiscal year shall be allocated to support a new position and equipment needs of a regional coordinator for Area 3 of the State Soil and Water Conservation districts. Area 3 of the State Soil and Water Conservation districts includes the Neuse River Basin and the following 11 counties: Alamance, Caswell, Chatham, Guilford, Lee, Montgomery, Moore, Orange, Person, Randolph, and Rockingham.

SP-122

Senate provision

CODE NO. 97ENV-H002-S13.2

Requested by: Representatives Mitchell, Baker, and Carpenter

ANIMAL WASTE COMPLIANCE PROGRAM REPORT

Section @. (a) No later than October 15, 1997, and quarterly thereafter, the Department of Environment, Health, and Natural Resources shall submit status reports to the Environmental Review Commission and the Fiscal Research Division. Each report shall include, but not be limited to:

(1) The number of permits for animal waste management systems, itemized by type of animal subject to such permits, issued since the last report and a total for that calendar year.

(2) The number of operations reviews of animal waste management systems that the Division of Soil and Water Conservation has conducted since the last report and a total for that calendar year.

(3) The number of operations reviews of animal waste management systems conducted by agencies other than the Division of Soil and Water Conservation that have been conducted since the last report and a total for that calendar year.

(4) The number of reinspections associated with operations reviews conducted by the Division of Soil and Water Conservation since the last report and a total for that calendar year.

(5) The number of reinspections associated with operations reviews conducted by agencies other than the Division of Soil and Water Conservation since the last report and a total for that calendar year.

(6) The number of compliance inspections of animal waste management systems that the Division of Water Quality has conducted since the last report and a total for that calendar year.

(7) The number of follow-up inspections associated with compliance inspections conducted by the Division of Water Quality since the last report and a total for that calendar year.

(8) The average length of time for each category of reviews and inspections under subdivisions (2) through (7) of this subsection.

(9) The number of violations found during each category of review and inspection under subdivisions (2)

through (7) of this subsection, the status of enforcement actions taken and pending, and the penalties imposed, collected, and in the process of being negotiated for each such violation.

(b) The information to be included in the reports pursuant to subsection (a) of this section shall be itemized by each regional office of the Department, with totals for the State indicated.

SP-124

Senate Provision

CODE NO. 97ENV-H003-S13.3

Requested by: Representatives Mitchell, Baker, and Carpenter

DEFER SOME ANIMAL WASTE MANAGEMENT SYSTEM REQUIREMENTS

Section @. Section 19(c)(4) of Chapter 626 of the 1995 Session Laws reads as rewritten:

"(4) Notwithstanding G.S. 143-215.10C (a) through (d), a dry litter animal waste management system involving 30,000 or more birds shall continue to operate on a deemed permitted basis by rule under 15A N.C.A.C. 2H.0217 and shall comply with the animal waste management plan testing and record-keeping requirements by January 1, ~~1998.~~ 2000."

will add dairy farms.

SP-125

CODE NO. 97ENV-H004-S13.4 Senate Provision

Requested by: Representatives Mitchell, Baker, and Carpenter

ODOR CONTROL STUDY FUNDS

Section @. Of the funds appropriated to the Department of Environment, Health, and Natural Resources for the 1996-97 fiscal year and transferred to the Board of Governors of The University of North Carolina for the North Carolina Agricultural Research Service at North Carolina State University for research into economically feasible odor control technologies and for a detailed economic analysis of odor management alternatives, the sum of six hundred thousand dollars ($600,000) shall not revert to the General Fund on June 30, 1997. These funds shall remain in the budget of North Carolina State University for expenditure by the North Carolina Agricultural Research Service during the 1997-98 fiscal year. These funds may be used for capital expenditures to construct current technology swine production facilities for the purpose of research in adapting or developing new odor control technologies. The use of these funds for capital expenditures shall be authorized without any requirement of matching funds from private sources.

Joint SR 126

Senate Revised

CODE NO. 97ENV-H005A-S13.6

Requested by: Representatives Mitchell, Baker, and Carpenter

SUPERFUND PROGRAM FUNDS

Section @. (a) The Department of Environment, Health, and Natural Resources may use available funds, with the approval of the Office of State Budget and Management, in order to provide the ten percent (10%) cost share required for Superfund cleanups on the National Priority List sites. These funds may be in addition to those appropriated for this purpose.

(b) The Department of Environment, Health, and Natural Resources and the Office of State Budget and Management shall report to the Joint Legislative Commission on Governmental Operations the amount and the source of the funds used pursuant to subsection (a) of this section within 30 days of the expenditure of these funds.

SP-127

Senate

CODE NO. 97ENV-H005-S13.6

Requested by: Representatives Mitchell, Baker, and Carpenter

SUPERFUND PROGRAM FUNDS

Section @. (a) The Department of Environment, Health, and Natural Resources may use available funds, with the approval of the Office of State Budget and Management, in order to provide the ten percent (10%) cost share required for Superfund cleanups on the National Priority List sites and to pay the operating and maintenance costs associated with these cleanups. These funds may be in addition to those appropriated for this purpose.

(b) The Department of Environment, Health, and Natural Resources and the Office of State Budget and Management shall report to the Joint Legislative Commission on Governmental Operations the amount and the source of the funds used pursuant to subsection (a) of this section within 30 days of the expenditure of these funds.

Dept proposes SP-128

CODE NO. 97ENV-H005B-S13.6

Requested by: Representatives Mitchell, Baker, and Carpenter

SUPERFUND PROGRAM/INACTIVE HAZARDOUS SITES FUNDS

Section @. (a) The Department of Environment, Health, and Natural Resources may use available funds, with the approval of the Office of State Budget and Management, to provide the ten percent (10%) cost share required for Superfund cleanups on the National Priority List sites, to pay the operating and maintenance costs associated with these Superfund cleanups, and for the cleanup of priority inactive hazardous substance or waste disposal sites under Part 3 of Article 9 of Chapter 130A of the General Statutes. These funds may be in addition to those appropriated for this purpose.

(b) The Department of Environment, Health, and Natural Resources and the Office of State Budget and Management shall report to the Joint Legislative Commission on Governmental Operations the amount and the source of the funds used pursuant to subsection (a) of this section within 30 days of the expenditure of these funds.

Joint SP-129

CODE NO. 97ENV-H006-S13.7

Requested by: Representatives Mitchell, Baker, and Carpenter

FUNDS FOR VOLUNTARY REMEDIAL ACTIONS

Section @. (a) During the 1997-99 fiscal biennium, the Secretary of Environment, Health, and Natural Resources may contribute from the Inactive Hazardous Sites Cleanup Fund up to ten percent (10%) of the cost each fiscal year, not to exceed fifty thousand dollars ($50,000) per site, of implementing a voluntary remedial action program at up to three high-priority sites that substantially endanger public health or the environment.

(b) No later than April 1 of each year of the 1997-99 fiscal biennium, the Department of Environment, Health, and Natural Resources shall report to the General Assembly. Each report shall contain the location of the sites for which a voluntary remedial action program was implemented under subsection (a) of this section, the rationale for the State contributing to the cost of that remedial action, and the amount of the contribution made from the Inactive Hazardous Sites Cleanup Fund.

Joint SP-130

CODE NO. 97ENV-H007-S13.8

Requested by: Representatives Mitchell, Baker, and Carpenter

POLLUTION PREVENTION AND ENVIRONMENTAL ASSISTANCE TO SMALL BUSINESSES WITH NEED

Section @. The Division of Pollution Prevention and Environmental Assistance shall, to the extent feasible, give greatest priority to small businesses that can demonstrate financial need when the Division of Pollution Prevention and Environmental Assistance awards grants or otherwise provides technical or financial assistance.

SP-131

Senate Provision

CODE NO. 97ENV-H008-S13.9

Requested by: Representatives Mitchell, Baker, and Carpenter

PERMIT INFORMATION CENTER

Section @. The Department of Environment, Health, and Natural Resources may use any available funds to operate a permit information center within the Department to improve permit applications, guidance materials, applicant and citizen training, and for other related purposes.

SP-132.

Senate Provision

CODE NO. 97ENV-H009-S13.10

Requested by: Representatives Mitchell, Baker, and Carpenter

AGRICULTURE WASTE RESEARCH REPORTS

Section @. The Primary Investigator or Researcher receiving funding from the State pursuant to Section 2 of Chapter 18 of the Session Laws of the 1996 Second Extra Session for each of the following research projects and studies shall provide a progress report to the Environmental Review Commission, the Joint Legislative Commission on Governmental Operations, the Scientific Advisory Council on Water Resources and Coastal Fisheries Management, and the Fiscal Research Division on January 1 and July 1 of each year until the project or study is complete:

(1) Odor control technology.

(2) Sources of nitrogen through isotope markers.

(3) Groundwater impacts of lagoons.

(4) Atmospheric deposition of nitrogen in the Neuse Estuary.

(5) Alternative animal waste technologies.

Upon completion of the project or study, the Primary Investigator or Researcher shall provide a final report.

Senate Provision SP 133

CODE NO. 97ENV-H023-S13.11

Requested by: Representatives Mitchell, Baker, and Carpenter

TOWN FORK CREEK SOIL CONSERVATION PROJECT

Section @. (a) The funds placed in a reserve account in the Department of Environment, Health, and Natural Resources pursuant to Section 26.3(c) of Chapter 507 of the 1995 Session Laws shall not revert until June 30, 1999. Those funds are reallocated as follows:

(1) Five hundred four thousand five hundred sixty dollars ($504,560) to the Stokes County Water and Sewer Authority, Inc., for the Germanton Water Project.

(2) Nine hundred thirty thousand six hundred eighty dollars ($930,680) to the Stokes County Water and Sewer Authority, Inc., for the Madison Connection Project.

(3) Eighty thousand dollars ($80,000) to the Stokes County Water and Sewer Authority, Inc., for the Dan River Project.

(4) Thirty thousand dollars ($30,000) to the Department of Environment, Health, and Natural Resources for the Limestone Creek small watershed project in Duplin County.

(5) Three hundred forty thousand six hundred forty dollars ($340,640) to the Department of Environment, Health, and Natural Resources for the Deep Creek small watershed project in Yadkin County.

(b) The Department of Environment, Health, and Natural Resources and the Stokes County Water and Sewer Authority, Inc., shall report by October 1 and March 1 of each fiscal year to the Joint Legislative Commission on Governmental Operations, the Fiscal Research Division of the General Assembly, and the Office of State Budget and Management regarding the use of the funds reallocated by this section. Each report shall include all of the following:

(1) The estimated cost of each project.

(2) The date that work on each project began or is expected to begin.

(3) The date that work on each project was completed or is expected to be completed.

(4) The actual cost of each project.

SP-134

CODE NO. 97ENV-H001

Requested by: Representatives Mitchell, Baker, Carpenter, and Yongue

MEADOW BRANCH WATER PROJECT AND DEEP CREEK PROJECT FUNDS DO NOT REVERT

Section @ Section 107(b) of Chapter 561 of the 1993 Session Laws as rewritten by Section 26.1 of Chapter 507 of the 1995 Session Laws reads as rewritten:

"(b) Where the actual costs are different from the estimated costs under subsection (a) of this section, the Department may adjust the allocations among projects as needed. If any projects listed in subsection (a) of this section are delayed and the budgeted State funds cannot be used during the 1993-94 fiscal year, or if the projects listed in subsection (a) of this section are accomplished at a lower cost, the Department may use the resulting fund availability to fund:

(1) Corps of Engineers project feasibility studies, or

(2) Corps of Engineers projects whose schedules have advanced and require State matching funds in fiscal year 1993-94, or

(3) State-local Water Resources Development Projects.

Funds, except those allocated in subdivisions (a)(14), (15), (16), and (17) of this section, not expended or encumbered for these purposes shall revert to the General Fund at the end of the 1994-95 fiscal year. The funds allocated in subdivisions (a)(14), ~~(15), (16), and (17)~~ and (16) of this section shall not revert until June 30, 1997. The funds allocated in subdivisions (15) and (17) of this section shall not revert until June 30, 1999."

SP-135

CODE NO. 97ENV-H022

Requested by: Representative Culp

RANDLEMAN DAM FUNDS DO NOT REVERT

Section @. Subsection (c) of Section 8 of Chapter 777 of the 1993 Session laws as rewritten by Section 26.2 of Chapter 507 of the 1995 Session Laws reds as rewritten:

"(c) All funds appropriated in Chapter 769 of the 1993 Session Laws for the construction of Randleman Dam shall revert to the General Fund on ~~October 1, 1997,~~ October 1, 1999, if construction has not begun before that date."

House # SP-136
Senate Provision

CODE NO. 97ENV-H014-S13.15

Requested by: Representatives Mitchell, Baker, and Carpenter

WATER QUALITY PERMIT PROGRAMS/RESERVE FUNDS

Section @. (a) Of the funds appropriated to the Department of Environment, Health, and Natural Resources by this act for the 1997-98 fiscal year, the sum of one million dollars ($1,000,000) shall be held in reserve within the Department.

(b) Of those funds held in reserve, the sum of one hundred fifty thousand dollars ($150,000) shall be used to replace federal construction grant funds when the federal funds cease for the support of three positions in the Division of Water Quality, Department of Environment, Health, and Natural Resources.

(c) The remaining eight hundred fifty thousand dollars ($850,000) held in reserve is to offset a possible permit receipt shortfall for the water quality programs for unrealized revenue up to two million nine hundred fifty thousand dollars ($2,950,000).

Subject to approval by the Office of State Budget and Management, the Department may use the reserve funds during the 1997-98 fiscal year in accordance with this subsection. The eight hundred fifty thousand dollars ($850,000) in reserve may be used to provide the necessary cash flow for the water quality programs during the fiscal year if receipts during the fiscal year are insufficient to cover water quality program expenditures. The reserve funds shall be used only for the water quality programs administered by the Water Quality Section of the Water Quality Division.

At the end of the 1997-98 fiscal year:

(1) If the receipts generated by the water quality permit programs for the 1997-98 fiscal year are less than two million nine hundred fifty thousand dollars ($2,950,000), then the Water Quality Section may retain from the reserve an amount equal to the difference between two million nine hundred fifty thousand dollars ($2,950,000) and actual water quality permit receipts for the 1997-98 fiscal year, not to exceed eight hundred fifty thousand dollars ($850,000).

(2) If the receipts generated by the water quality permit programs for the 1997-98 fiscal year are two million nine hundred fifty thousand dollars

($2,950,000) or more, then the Water Quality Section shall not retain any funds from the reserve.

(d) All receipts, State funds, and federal funds that are budgeted for the Water Quality Section of the Water Quality Division, Department of Environment, Health, and Natural Resources, shall be used only for the Water Quality Section and the water quality programs administered by that section and shall not be transferred or used for any other purpose.

(e) For purposes of this section, "water quality permits" means all permits issued under Part 1 of Article 21 of Chapter 143 of the General Statutes that are administered by the Water Quality Section of the Water Quality Division, Department of Environment, Health, and Natural Resources.

SP-138

Senate Provision

CODE NO. 97ENV-H015-S13.16

Requested by: Representatives Mitchell, Baker, and Carpenter

FEDERAL FUNDS FOR WATER QUALITY INDIRECT COSTS USED FOR WATER QUALITY

Section @. Federal funds received by the Department of Environment, Health, and Natural Resources received as federal indirect cost receipts associated with the federal Environmental Protection Agency "106" water quality grant may be credited to and used only by the Water Quality Section of the Water Quality Division for the permit programs and activities administered by that section.

SP-139

CODE NO. 97ENV-H018B

Requested by: Representatives Mitchell, Baker, and Carpenter

STATE MATCH FOR FEDERAL SUPPLY AND WASTEWATER ASSISTANCE FUNDS

Section @. For the 1997-98 fiscal year, of the funds reserved under G.S. 143-15.3B to the Clean Water Management Trust Fund, the State Controller shall transfer the sum of thirteen million two hundred twenty-four thousand five hundred ninety-five dollars ($13,224,595) to the Department of Environment, Health, and Natural Resources to be allocated as follows:

(1) The sum of four million one thousand seven hundred seventy-five dollars ($4,001,775) shall be used for the twenty percent (20%) State match required to receive federal wastewater assistance funds for revolving construction loans and other assistance as set forth in Chapter 159G of the General Statutes. The funds allocated under this section shall be deposited in the State Revolving Water Fund account of the Clean Water Pollution Control Revolving Fund.

(2) The sum of nine million two hundred twenty-two thousand eight hundred twenty dollars ($9,222,820) shall be used for the twenty percent (20%) State match required to receive federal water supply assistance funds for revolving construction loans and other assistance as set forth in Title I, section 130 of the federal Safe Drinking Water Act Amendments of 1996. The funds allocated under this section are to be deposited in a State fund that is available from year to year for the purpose of providing revolving loans and grants to local government units for water supply assistance.

Senate Provision SP-140

CODE NO. 97ENV-H016-S13.18

Requested by: Representatives Mitchell, Baker, and Carpenter

CLEAN WATER TRUST FUND/PRIORITIZE BETWEEN SAVINGS RESERVE ACCOUNT AND CLEAN WATER MANAGEMENT TRUST FUND

Section @. (a) G.S. 143-15.3B(a) reads as rewritten:

"(a) The Clean Water Management Trust Fund is established in G.S. 113-145.3. The State Controller shall reserve to the Clean Water Management Trust Fund six and one-half percent (6.5%) of any unreserved credit balance remaining in the General Fund at the end of each fiscal ~~year.~~ year or thirty million dollars ($30,000,000), whichever is greater.

As used in this section, the term 'unreserved credit balance' means the credit balance amount, as determined on a cash basis, before funds are reserved by the State Controller to the Savings Reserve Account, the Repairs and Renovations Reserve Account, or the Clean Water Management Trust Fund pursuant to this section, G.S. 143-15.3, and G.S. 143-15.3A."

(b) G.S. 143-15.3(a) reads as rewritten:

"(a) There is established a Savings Reserve Account as a restricted reserve in the General Fund. The State Controller shall reserve to the Savings Reserve Account one-fourth of any unreserved credit balance remaining in the General Fund at the end of each fiscal year until the account contains funds equal to five percent (5%) of the amount appropriated the preceding year for the General Fund operating budget, including local government tax-sharing funds. If the balance in the Savings Reserve Account falls below this level during a fiscal year, the State Controller shall reserve to the Savings Reserve Account for the following fiscal years up to one-fourth of any unreserved credit balance remaining in the General Fund at the end of each fiscal year until the account again equals five percent (5%) of the amount appropriated the preceding year for the General Fund operating budget, including local government tax-sharing funds. If there are insufficient funds in the unreserved credit balance for the Savings Reserve Account, the Repairs and Renovations Reserve Account, and the Clean Water Management Trust Fund, then the requirements of this section shall be complied with first, and any remaining funds shall be reserved to the Repairs and Renovations Reserve Account, in accordance with G.S. 143-15.3A, and the Clean Water Management Trust Fund, in accordance with G.S. 143-15.3B. As used in this section, the term 'unreserved credit balance' means the credit balance amount, as determined on

a cash basis, before funds are reserved by the Controller to the Savings Reserve Account or the Repairs and Renovations Reserve Account pursuant to this section and G.S. 143-15.3A."

(c) This section becomes effective June 30, 1997.

Joint SP-142

CODE NO. 97ENV-H010-S13.19

Requested by: Representatives Mitchell, Baker, and Carpenter

PARTNERSHIP FOR THE SOUNDS

Section @. (a) Subject to subsection (c) of this section, the Partnership for the Sounds shall, no later than January 15, 1998, submit a report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division that provides the following information:

(1) Program activities, objectives, and accomplishments for the 1996-97 fiscal year;

(2) Itemized expenditures and fund sources for the 1996-97 fiscal year;

(3) Planned activities, objectives, and accomplishments for the 1997-98 fiscal year, including actual results through December 31, 1997; and

(4) Estimated itemized expenditures and fund sources for the 1997-98 fiscal year, including actual expenditures and fund sources through December 31, 1997.

(b) Subject to subsection (c) of this section, the Partnership for the Sounds shall, no later than January 15, 1999, submit a report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division that provides the following information:

(1) Program activities, objectives, and accomplishments for the 1997-98 fiscal year;

(2) Itemized expenditures and fund sources for the 1997-98 fiscal year;

(3) Planned activities, objectives, and accomplishments for the 1998-99 fiscal year, including actual results through December 31, 1998; and

(4) Estimated itemized expenditures and fund sources for the 1998-99 fiscal year, including actual expenditures and fund sources through December 31, 1998.

(c) The Partnership for the Sounds shall provide additional reports to the Joint Legislative Commission on Governmental Operations or the Fiscal Research Division upon request.

(d) The Partnership for the Sounds shall provide a copy of its annual audited financial statement to the Fiscal

SP-143

Research Division within 30 days of issuing the financial statement.

SP-144

CODE NO. 97NATRES-H003A

Requested by: Representatives Mitchell, Baker, Carpenter

BEAVER DAMAGE CONTROL FUNDS

Section @. (a) Subsection (b) of Section 69 of Chapter 1044 of the 1991 Session Laws, as amended by Section 111 of Chapter 561 of the 1993 Session Laws, Section 27.3 of Chapter 769 of the 1993 Session Laws, Section 26.6 of Chapter 507 of the 1995 Session Laws, and Section 27.15 of Chapter 18 of the Session Laws of the 1996 Second Extra Session reads as rewritten:

"(b) The Beaver Damage Control Advisory Board shall develop a program to control beaver damage on private and public lands. Anson, Bladen, Brunswick, Carteret, Chatham, Chowan, Craven, Columbus, Cumberland, Duplin, Edgecombe, Franklin, Granville, Greene, Halifax, Harnett, Hertford, Hoke, Johnston, Jones, Lee, Lenoir, Lincoln, Martin, Nash, Onslow, Pamlico, Pender, Pitt, Robeson, Sampson, Scotland, Vance, Warren, Washington, Wayne, and Wilson Counties shall participate in the program. The Beaver Damage Control Advisory Board shall act in an advisory capacity to the Wildlife Resources Commission in the implementation of the program. In developing the program, the Board shall:

(1) Orient the program primarily toward public health and safety and toward landowner assistance, providing some relief to landowners through beaver control and management rather than eradication;

(2) Develop a priority system for responding to complaints about beaver damage;

(3) Develop a system for documenting all activities associated with beaver damage control, so as to facilitate evaluation of the program;

(4) Provide educational activities as a part of the program, such as printed materials, on-site instructions, and local workshops;

(5) Provide for the hiring of personnel necessary to implement beaver damage control activities, administer the program, and set salaries of personnel;

(6) Evaluate the costs and benefits of the program that might be applicable elsewhere in North Carolina.

No later than January 15, ~~1997,~~ of each year, the Board shall issue a report to the Wildlife Resources Commission on the program to date, including recommendations on the feasibility of continuing the program in participating counties and the

desirability of expanding the program into other counties. The Wildlife Resources Commission shall prepare a plan to implement a statewide program to control beaver damage on private and public lands. No later than March 15, ~~1997,~~ of each year, the Wildlife Resources Commission shall present its plan in a report to the House Appropriations Subcommittee on Natural and Economic Resources, the Senate Appropriations Committee on Natural and Economic Resources, and the Fiscal Research Division."

(b) Subsection (h) of Section 69 of Chapter 1044 of the 1991 Session Laws, as amended by Section 111 of Chapter 561 of the 1993 Session Laws, Section 27.3 of Chapter 769 of the 1993 Session Laws, Section 26.6 of Chapter 507 of the 1995 Session Laws, and Section 27.15 of Chapter 18 of the Session Laws of the 1996 Second Extra Session reads as rewritten:

"(h) Subsections (a) through (d) of this section expire June 30, ~~1997.~~ 1998."

(c) Of the funds available to the Wildlife Resources Commission for the 1997-98 fiscal year, the sum of four hundred fifty thousand dollars ($450,000) may be used to provide the State share necessary to continue the beaver damage control program, provided the sum of twenty-five thousand dollars ($25,000) in federal funds is available for the 1997-98 fiscal year to provide the federal share. These funds shall be matched by four thousand dollars ($4,000) of local funds for the 1997-98 fiscal year from each of the participating counties. Counties participating in this program shall make a commitment of their local matching funds to the Wildlife Resources Commission no later than September 30, 1997.

5-21
NER p m Mtg

CODE NO. 97AGRIC-H001A

Requested by: Representative Tolson

EASTERN NORTH CAROLINA LIVESTOCK ARENA FUNDS

Section @. Section 94 of Chapter 561 of the 1993 Session Laws reads as rewritten:

"Sec. 94. ~~(a)~~ The seven hundred thousand dollars ($700,000) appropriated in Section 4 of Chapter 1014 of the 1985 Session Laws and allocated in Section 158(b) of Chapter 1014 of the 1985 Session Laws, as amended by Section 137(a) of Chapter 738 of the 1987 Session Laws, Section 154 of Chapter 1086 of the 1987 Session Laws, and Section 34 of Chapter 1100 of the 1987 Session Laws, to the Rocky Mount Business Development Authority for the agricultural complex located at Fountain ~~Park in Section 137(a) of Chapter 738 of the 1987 Session Laws, as amended by Section 154 of Chapter 1086 of the 1987 Session Laws and Section 34 of Chapter 1100 of the 1987 Session Laws, the sum of seven hundred thousand dollars ($700,000) may be loaned to a city which is located in two counties so as to allow that city to establish a Farmer's Market in the vicinity of the old Fenner's Warehouse No. 1 on the North Church Street corridor.~~

~~(b) This no-interest loan shall be repaid by the city to the Rocky Mount Business Development Authority (RMBDA) over the next seven years at the rate of one hundred thousand dollars ($100,000) per year or at a rate necessary to support the cash flow requirement for planning and constructing a processing facility at Fountain Park.~~

~~(c) The Rocky Mount Business Development Authority (RMBDA) shall provide a grant of all interest accrued to date, less expenses, on the seven hundred thousand dollar ($700,000) appropriation to the Rocky Mount/Edgecombe Community Development Corporation (RMECDC) for the South Washington Street Revitalization Project.~~

~~(d) The City of Rocky Mount shall organize the Rocky Mount Business Development Authority (RMBDA) such that the Authority assists in planning and construction of a vegetable and fruit processing facility in Fountain Park before January 1, 2001. This processing facility shall have the capability to, at least: cool, wash, wax, grade, sort, package, and store for transit the commercial produce of local farm families. The facility shall provide facilities for unloading harvested farm fruits and vegetables, loading surface transport with packaged fruits and vegetables, and supporting brokerage operations. RMBDA may use~~

~~the funds repaid to it under subsection (b) of this section for the purposes of this subsection.~~ Park, plus all interest accrued, shall be used for the construction of a facility to replace the Eastern North Carolina Livestock Arena. This facility shall be used for horse- and swine-breeding stock auctions, for cattle sales, and for functions of the Future Farmers of America and 4-H Clubs."

discussed at NER mtg. 5-21-97

SP-146

Joint

CODE NO. 97HLTH-H013

Requested by: Representatives Mitchell, Baker, Carpenter

COMMUNICABLE DISEASE CONTROL AID TO COUNTIES FLEXIBILITY

Section @. (a) For the 1997-98 and 1998-99 fiscal years, the Department of Environment, Health, and Natural Resources may combine and allocate funds appropriated for Aid to Counties in the Acute Communicable Disease Control Fund, the Tuberculosis Control Fund, and the Sexually Transmitted Disease Control Fund into one Acute Communicable Disease Control Aid to Counties Grant. Communicable Disease Aid to Counties funding to local health departments and other authorized recipients will be based on a general communicable disease formula to be developed by the Department of Environment, Health, and Natural Resources.

(b) The Department of Environment, Health, and Natural Resources, in conjunction with local health departments, will maintain a system to monitor and identify Aid to Counties communicable disease expenditures by each communicable disease group. The Department shall report to the Joint Legislative Commission on Governmental Operations not later than October 1, 1997, and annually thereafter, on Aid to Counties expenditures by county for each communicable disease group and the purpose of the expenditures for the fiscal year. The report shall also include an evaluation of the effectiveness of combining Aid to Counties funding into one grant fund and the effectiveness of the formula used to allocate funds.

Reject

SP-147

House Flag

CODE NO. 97HLTH-H014

Requested by: Representatives Mitchell, Baker, Carpenter

DWI TEST CHANGES

Sec. @. Amounts collected under G.S. 20-16.5(j) for fiscal years 1993-94 and 1994-95 and designated for the alcohol testing program of the Injury Control Section of the Department of Environment, Health, and Natural Resources shall not revert to the General Fund unless the amounts exceed the amounts appropriated by the General Assembly for the 1993-94 and 1994-95 fiscal years.

Beginning with the 1995-96 fiscal year, any funds collected under G.S. 20-16.5(j) that are designated for the alcohol testing program of the Injury Control Section of the Department of Environment, Health, and Natural Resources and are not needed for that program shall be transferred annually to the Governor's Highway Safety Program for grants to local law enforcement agencies for training and enforcement of the laws on driving while impaired. The Governor's Highway Safety Program shall expend funds transferred to it under this section within 13 months of receipt of the funds. Amounts received by the Governor's Highway Safety Program shall not revert until the June 30 following the 13-month period.

SP-148

Senate Provision

CODE NO. 97HLTH-H002

Requested by: Representatives Mitchell, Baker, Carpenter

DWI TEST CHANGES

Section @. (a) For the 1997-98 and 1998-99 fiscal years, any funds collected under G.S. 20-16.5(j) that are designated for the chemical alcohol testing program of the Injury Control Section of the Department of Environment, Health, and Natural Resources and are not needed for that program shall be transferred annually to the Governor's Highway Safety Program for grants to local law enforcement agencies for training and enforcement of the laws on driving while impaired. The Governor's Highway Safety Program shall expend funds transferred to it under this section within 13 months of receipt of the funds. Amounts received by the Governor's Highway Safety Program shall not revert until the June 30 following the 13-month period.

(b) Notwithstanding G.S. 143-23(a1)(3), if the total requirements for the 1997-98 and 1998-99 fiscal years for the statewide chemical alcohol testing program exceed funds appropriated in this act for the program, then the Injury Control Section may use funds in accordance with G.S. 20-16.5(j) to fund the chemical alcohol testing program requirements in excess of the General Fund appropriation, provided that total expenditures for the 1997-98 and 1998-99 fiscal years for the chemical alcohol testing program shall not exceed amounts collected under G.S. 20-16.5(j) and designated for the chemical alcohol and testing program.

SP-149

Senate Provision

CODE NO. 97HLTH-H015

Requested by: Representatives Mitchell, Baker, and Carpenter

STATE TRAINING/ENVIRONMENTAL HEALTH SPECIALISTS

Section @. The Department of Environment, Health, and Natural Resources shall improve the initial training provided to environmental health specialists serving as agents of the State. The Department shall utilize modern technology and training techniques for improving the training program. The Department shall make a progress report on the training program to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division not later than July 1, 1998.

Senate Provision SP-150

CODE NO. 97ENV-H011-S13.25

Requested by: Representatives Mitchell, Baker, and Carpenter

REISSUE CERTAIN WASTEWATER PERMITS

Section @. Notwithstanding the provisions of Article 11 of Chapter 130A of the General Statutes to the contrary, the Department of Environment, Health, and Natural Resources or the local health department shall issue an improvement permit and an authorization for wastewater system construction for any wastewater system that was the subject of an improvement permit issued by a local health department between July 1, 1982, and September 30, 1995, that expired prior to the installation of that wastewater system, upon a showing satisfactory to the Department or the local health department, respectively, that all of the following conditions are satisfied:

(1) The site and soil conditions are unaltered.

(2) The facility, design wastewater flow, and wastewater characteristics are not increased since the expired permit was issued.

(3) A wastewater system can be installed that meets the permitting requirements in effect on the date the expired improvement permit was issued.

(4) The intended use has not changed.

(5) There is no current technology that can reasonably be expected to improve the performance of the system.

(6) But for the issuance of an authorization for wastewater system construction under this section, the proposed site cannot be developed for the purpose for which the expired permit was issued.

SP-151

Adds language requested by Dept.

CODE NO. 97ENV-H011B-S13.25

Requested by: Representatives Mitchell, Baker, and Carpenter

REISSUE CERTAIN WASTEWATER PERMITS

Section @. Notwithstanding the provisions of Article 11 of Chapter 130A of the General Statutes to the contrary, the Department of Environment, Health, and Natural Resources or the local health department shall issue an improvement permit and an authorization for wastewater system construction for any wastewater system that was the subject of an improvement permit issued by a local health department between July 1, 1982, and September 30, 1995, that expired prior to the installation of that wastewater system, upon a showing satisfactory to the Department or the local health department, respectively, that all of the following conditions are satisfied:

(1) The site and soil conditions are unaltered.

(2) The facility, design wastewater flow, and wastewater characteristics are not increased since the expired permit was issued.

(3) A wastewater system can be installed that meets the permitting requirements in effect on the date the expired improvement permit was issued.

(4) The intended use has not changed.

(5) There is no current technology that can reasonably be expected to improve the performance of the system.

(6) But for the issuance of an authorization for wastewater system construction under this section, the proposed site cannot be developed for the purpose for which the expired permit was issued.

For permits reissued in accordance with this section, when the site is determined to be suitable or provisionally suitable in accordance with current standards, the Department shall specify the most appropriate wastewater system that complies with the rules. For permits reissued in accordance with this section, when the site is determined to be unsuitable in accordance with current standards, the reissued permit shall require the installation of a sand filter with disinfection, an aerobic treatment unit, or another wastewater system that provides a level of treatment prior to subsurface disposal that is equivalent to the level of treatment provided by either of these two systems. The Department of Environment, Health, and Natural Resources shall require that the owner of the property on which

SP-152

the wastewater system is to be located record a notice of the conditions under which the permit is being reissued in the Office of the Register of Deeds in the county in which the property is located. The Register of Deeds shall index the notice in the grantor index in the name of the owner of the property on which the wastewater system is to be located and in the grantee index under Secretary of Environment, Health, and Natural Resources. The Department shall approve the form of the notice. The owner of the property on which the wastewater system is to be located shall verify to the Department that the notice has been recorded before the authorization for wastewater system construction is issued.

SP-153

House #

Senate Provision

CODE NO. 97HLTH-H003

Requested by: Representatives Mitchell, Baker, Carpenter

CHILDHOOD LEAD EXPOSURE CONTROL

Section @. (a) Of the funds appropriated in this act to the Department of Environment, Health, and Natural Resources, the sum of two hundred thirty-seven thousand seventy-nine dollars ($237,079) for the 1997-98 fiscal year and the sum of two hundred ten thousand eight hundred seventy-nine dollars ($210,879) for the 1998-99 fiscal year shall be used to expand the State's Childhood Lead Poisoning Prevention Program.

(b) The allocation of funds under subsection (a) of this section is contingent upon the enactment into law of Senate Bill 806, 1997 General Assembly.

SP-154

Senate Provision

CODE NO. 97HLTH-H004

Requested by: Representatives Mitchell, Baker, Carpenter

EXTEND HEART DISEASE AND STROKE PREVENTION TASK FORCE

Section @. Subsections (l) and (m) of Section 26.9 of Chapter 507 of the 1995 Session Laws read as rewritten:

"(l) The Task Force shall submit to the Governor and to the General Assembly a preliminary report by January 1, 1996; an interim report within the first week of the convening of the 1997 General Assembly; a second interim report within the first week of the convening of the 1997 General Assembly, Regular Session 1998; a third interim report within the first week of the convening of the 1999 General Assembly, and a final report by ~~October 1, 1997.~~ June 30, 1999. The reports shall address the Plan, actions and resources needed to fully implement the Plan, and progress in achieving implementation of the Plan to reduce the occurrence of and burden from heart disease and stroke in North Carolina. The reports shall include an accounting of funds expended and anticipated funding needs for full implementation of recommended plans and programs.

(m) Upon submission of its final report to the Governor and the ~~1997~~ 1999 General Assembly, the Task Force shall expire."

SP-155

House $

Senate Language

CODE NO. 97HLTH-H005

Requested by: Representatives Mitchell, Baker, Carpenter

CANCER CONTROL FUNDS

Section @. Of the funds appropriated in this act to the Department of Environment, Health, and Natural Resources, the sum of three hundred fifty thousand dollars ($350,000) for the 1997-98 fiscal year and the sum of two hundred fifty thousand dollars ($250,000) for the 1998-99 fiscal year shall be allocated for promoting the prevention, early detection, data collection, coordination, and optimal care in the control of cancer. Purposes for which funds appropriated under this section may be used include a total of five full-time limited positions for the Central Cancer Registry, the Division of Health Promotion, and the Advisory Committee on Cancer Coordination and Control. Funds shall be allocated upon the advice of the Advisory Committee on Cancer Coordination and Control. The Department shall report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division by February 1, 1998 on the allocation and use of the funds.

These funds are appropriated to honor the memory of Dr. John Kernodle.

Joint SP-156

CODE NO. 97HLTH-H006

Requested by: Representatives Mitchell, Baker, Carpenter

IMMUNIZATION PROGRAM FUNDING

Section @. (a) Of the funds appropriated to the Department of Environment, Health, and Natural Resources for the 1997-99 fiscal biennium for childhood immunization programs for positions, operating support, equipment, and pharmaceuticals, the sum of up to one million dollars ($1,000,000) each fiscal year may be used for projects and activities that are also designed to increase childhood immunization rates in North Carolina. These projects and activities shall include the following:

(1) Outreach efforts at the State and local levels to improve service delivery of vaccines. Outreach efforts may include educational seminars, media advertising, support services to parents to enable children to be transported to clinics, longer operating hours for clinics, and mobile vaccine units; and

(2) Continued development of an automated immunization registry.

(b) Funds authorized to be used for immunization efforts under subsection (a) of this section shall not be used to fund additional State positions in the Department of Environment, Health, and Natural Resources.

SP-157

Senate Provision

CODE NO. 97HLTH-H007

Requested by: Representatives Mitchell, Baker, Carpenter

WIC PROGRAM FUNDS

Section @. Of the funds appropriated to the Department of Environment, Health, and Natural Resources for the Women, Infants, and Children (WIC) Program, the sum of one million two hundred eighty thousand dollars ($1,280,000) for the 1997-98 fiscal year and the sum of one million two hundred eighty thousand dollars ($1,280,000) for the 1998-99 fiscal year shall, if sufficient federal food funds are available, be used for the WIC Program as follows:

(1) Not more than $500,000 in each fiscal year shall be used to establish new WIC Programs in Head Start or other private or public nonprofit agencies to serve additional mothers, infants, and children. The Department shall utilize these funds for local program operations including staff to provide eligibility determination, nutrition education, and health care referrals. In selecting the new WIC Programs, the Department shall consider accessibility to the target population including location and hours of operation.

(2) Not more than $250,000 in each fiscal year shall be used to renovate facilities of existing programs where space constraints limit program expansion, and to fund rental costs in areas where accessible donated space is not available. In selecting the facilities the Department shall consider accessibility to the target population including location and extended hours of operation. In determining whether to fund rental of space, the Department shall ensure that options for using donated accessible space have been considered. Not more than $75,000 of funds allocated under this subdivision for each fiscal year shall be used for rental of space.

(3) Not more than $300,000 in each fiscal year shall be used to purchase physician-prescribed special formulas and nutritional supplements for infants, children, and women.

(4) Not more than $60,000 in each fiscal year shall be used to provide the required State match to the WIC farmers' market project.

(5) Not more than $170,000 in each fiscal year shall be used for the purpose of establishing and maintaining a Public Health Nutritionist Internship Program.

If sufficient federal food funds are not available then funds appropriated for the WIC Program under this section shall be used to supplement federal food funds and any balance in funds remaining after the supplemental use shall be used in accordance with subdivisions (1) through (5) of this section.

SP-159

Senate Provision

CODE NO. 97HLTH-H008

Requested by: Representatives Mitchell, Baker, Carpenter

ADOLESCENT PREGNANCY PREVENTION COALITION OF NC/REPORTING

Section @. The Adolescent Pregnancy Prevention Coalition of N.C. shall:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1996-97 program activities, objectives, and accomplishments;
   b. State fiscal year 1996-97 itemized expenditures and fund sources;
   c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997; and
   d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997.

(2) By January 15, 1999, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1997-98 program activities, objectives, and accomplishments;
   b. State fiscal year 1997-98 itemized expenditures and fund sources;
   c. State fiscal year 1998-99 planned activities, objectives, and accomplishments including actual results through December 31, 1998; and
   d. State fiscal year 1998-99 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1998.

(3) Provide to the Fiscal Research Division a copy of the Coalition's annual audited financial statement within 30 days of issuance of the statement.

SP-160

Senate Provision

CODE NO. 97HLTH-H009

Requested by: Representatives Mitchell, Baker, Carpenter

NORTH CAROLINA HEALTHY START FOUNDATION/REPORTING

Section @. The North Carolina Healthy Start Foundation shall:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:

a. State fiscal year 1996-97 program activities, objectives, and accomplishments;

b. State fiscal year 1996-97 itemized expenditures and fund sources;

c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997; and

d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997.

(2) Provide to the Fiscal Research Division a copy of the Foundation's annual audited financial statement within 30 days of issuance of the statement.

House $ SP161

Senate Language

CODE NO. 97HLTH-H010

Requested by: Representatives Mitchell, Baker, Carpenter

PREVENT BLINDNESS, INC./REPORTING

Section @. Prevent Blindness, Inc., shall:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:

a. State fiscal year 1996-97 program activities, objectives, and accomplishments;

b. State fiscal year 1996-97 itemized expenditures and fund sources;

c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997; and

d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997.

(2) Provide to the Fiscal Research Division a copy of the Prevent Blindness, Inc., annual audited financial statement within 30 days of issuance of the statement.

SP-162

Senate Provision

CODE NO. 97HLTH-H011

Requested by: Representatives Mitchell, Baker, Carpenter

FEDERAL ABSTINENCE EDUCATION FUNDS

Section @. If federal funds are received under the Maternal and Child Health Block Grant for abstinence education, pursuant to Sec. 912 of Public Law 104-193 (42 U.S.C. 710), for the 1997-98 or the 1998-99 fiscal year, or both, then those funds shall be transferred to and administered by the State Board of Education, unless the transfer is prohibited by federal law governing the use and administration of Maternal and Child Health Block Grant funds.

Minutes

House Appropriations Sub-Committee on

Natural and Economic Resources

May 22, 1997 - 8:30 a.m.

The House Appropriations Sub-Committee on Natural and Economic Resources met on Thursday, May 22, 1997 at 8:30 a.m. in Room 605 of the Legislative Office Building. Representative Frank Mitchell, House Co-Chair, called the meeting to order at 8:35 a.m. All members were present.

After introductions, Tom Krackhaur, Executive Director of the North Carolina Museum of Life and Science in Durham, briefly introduced some of the directors from the thirteen Grassroots Science Museums located in the State, invited the members to stop by the exhibits in the Legislative Building, and asked the Sub-Committee to support the special provision in the Senate version of the budget for $3.15 million.

Jennifer Herrera of the Fiscal Research Division reviewed the changes that had been made by the Sub-Committee. Please refer to handout (first page of handout dated May 22, 1997, and stamped DRAFT).

Pg. 2	Dept. of Agriculture	Item #4	Small Farms Assistance
Pg. 8	DEHNR	Item #31	Area 3 Coordinator
Pg. 8	DEHNR	Item #39	Regional Groundwater Mgt.
Pg. 10	DEHNR	Item #54	Non-Medicaid Maternity Care Coordination
Pg. 10	DEHNR	Item #57	State Parks Cleanup Reserve
Pg. 15	Dept. of Commerce	Item # 69	Enhance EDIN System
Pg. 17	Dept. of Commerce	Item #84	State Govt. Competition Commission
Pg. 18	Non-Profits	Item #95	Land Loss Prevention Project
Pg. 19	Non-Profits	Item #102	Yadkin/Pee Dee Lakes Project

Representative Hall made a motion to adopt the draft report. By voice vote of the Sub-Committee, the motion carried.

Mark Trogdon of the Fiscal Research Division reviewed the special provisions noting each section in the provision. The Sub-Committee approved each provision as it was reviewed. Please refer to handout starting on SP 163.

SP 163 Worker Training Trust Fund Appropriations
SP 165 Industrial Development Fund Utility Account
SP 166 State Government Competition Initiative

The following special provisions were reviewed by Jennifer Herrera.

SP 170 Funds for Economic Development
SP 172 Affordable Housing Assistance Funds
SP 174 Beaver Damage Control Funds

Representative Wilkins asked how the special provision changes the funding. Ms. Herrera replied funding in the past has come from the general fund. Representative Fox made a motion to change the language from "may" to "shall" (page 2, line 20). Representative Owens noted how the wording change could affect other programs, and Representative Wilkins voiced his concern to the change. Representatives Baker, Hall, and Hunter spoke in favor of the motion. Phillip McKnelly, Director of Parks and Recreation, and J.W. Reel of the Office of State Budget and Management addressed the members about the change. By voice vote, the motion carried.

SP 176 State Parks Storm Repair Funds

The following special provisions were reviewed by Mona Moon of the Fiscal Research Division.

SP 177 Federal Abstinence Education Funds
SP 178 NER/Receipt Supported Positions

J.W. Reel of the Office of State Budget and Management noted how this will change the current situation especially with meat and poultry inspectors for plants. Representative Owens asked about changing the reporting from a quarterly to semi-annual basis in which Mr. Reel responded favorably to.

Representative Baker explained a special provision titled Solid Waste Operator Course Exempt. The provision is identical to Senate Bill 379 which won't make cross-over date and is needed. Representative Hunter made a motion to adopt the special provision. By voice vote, the motion carried.

Representatives Mitchell and Baker noted items that would not be included in the House version of the budget. They include the 1982 septic tank provision (wastewater permits), and liquor by the drink districts provision.

Representative Owens explained a special provision that asks the Division of State Parks and the Division of Forest Resources to develop a management plan that addresses pest control and timber management. Representative Mitchell made a motion to adopt the special provision. By voice vote, the motion carried.

Representative Carpenter explained a special provision that would require a feasibility study be performed by the Office of State Budget and Management to examine whether a natural resources division be created separately from DEHNR and report in

January, 1998. Mr. Reel asked if the date could be changed. Representative Mitchell asked if March, 1998 would be acceptable which was agreed on. Representative Baker made a motion to adopt the special provision. By voice vote, the motion carried.

Representative Mitchell explained a special provision that would give dairy farmers an additional 18 months to comply to the permitting process as required by DEHNR. Representative Baker made a motion to adopt the special provision. By voice vote, the motion carried.

Representative Tolson explained a special provision that would transfer funds for the Eastern Livestock Facility for repairs. Representative Baker made a motion to adopt the special provision. By voice vote, the motion carried.

Ms. Moon asked for clarification on the liquor by the drink districts. Representative Mitchell replied the provision should be excluded from the report. At this point, Representative Owens asked for additional language be added to his special provision that would direct funds derived from the sale of timber harvesting for capital improvements within the parks system. The Sub-Committee members agreed to adding the language to the special provision and directed staff to add the language. Representative Mitchell noted the final report would be ready by Monday afternoon. Ms. Moon continued by asking for a clarification on the special provision that defers some animal waste systems requirements. The members agreed this provision shouldn't be included in the report. Ms. Moon noted another provision in question was the Clean Water Management Trust Fund prioritization (SP 140). Representative Mitchell asked that this provision be held for the Chairs to work out.

The Sub-Committee adjourned at 9:30 a.m. to reconvene on Monday, May 26, 1997 at 4:00 p.m.

Respectfully submitted,

W. F. Mitchell
Frank Mitchell
Co-Chair

Susan Thomason
Susan Thomason
Clerk

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Natural and Economic Resources 5/22/97
Name of Committee Date 8:30 am

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Becky Brown	Labor
Darla Cope	"
Shelley Watkins	OSBM
JW Reed	"
Johnny Gray	"
Travis Porter	Porter and Steel PLLC
Kevin Ryan	DEHNR
Ann Wolfe	DEHNR
Linda Small	DEHNR / DEH
John Morris	EHNR
C. Bonnie Alexander	NCDJ
Dana Tuggerby	NCDOC
John Stanford	NC DOC
Jane Lynton	BPA EHNR
Anita McNeil	DEHNR (BPA
Leo Tilley	Commerce
Angie Harris	"
Wilma Wilcox	NCDB

May 22, 1997

DRAFT

House Subcommittee on Natural and Economic Resources

Housing Finance Agency

	GENERAL FUND	
	FY 97-98	FY 98-99
Recommended Continuation Budget	$2,300,000	$2,300,000
Legislative Changes		
Housing Finance Agency		
1 Housing Trust Fund		
Support for the Housing Trust Fund.	$5,000,000 NR	
Total Legislative Changes	$5,000,000 NR	
Total Position Changes		
Revised Budget	$7,300,000	$2,300,000

DRAFT

Agriculture

	GENERAL FUND			
	FY 97-98		FY 98-99	
Recommended Continuation Budget	**$49,480,730**		**$49,688,983**	
Legislative Changes				
Agricultural Finance Authority				
2 Reduce General Fund Appropriation	($25,000)	R	($50,000)	R
Reduce the General Fund appropriation to the Authority by utilizing the interest income earned by the Farm Reserve Loan Fund for the Authority's operating expenses.				
Agronomic Services				
3 Agronomic Advisory Services	$314,767	R	$445,117	R
Funds to increase waste disposal and water management services provided by the Agronomics Division to meet the demand for increased technical assistance from regional agronomists and section chiefs.	$217,151 7.00	NR	 8.00	
Commissioner's Office				
4 Small Farms Assistance				
Funds to provide assistance to small, family farms.	$50,000	NR		
Food and Drug Protection				
5 Food Related Facilities Funds	$113,994	R	$113,994	R
Funds to continue support for inspection of food processing facilities, food storage warehouses, retail stores, and medicated livestock-feed manufacturing facilities.	4.00		4.00	
6 Environmental Protection in Pesticide Applications	$179,039	R	$179,039	R
Funds to increase compliance assistance to pesticide applicators and farmers.	$23,100 3.00	NR	 3.00	
Maritime Museum				
7 Transfer Maritime Museum to Cultural Resources	($792,227)	R	($786,713)	R
Transfer positions, operating support, equipment, property, and other assets of the North Carolina Maritime Museum to the Department of Cultural Resources.	-17.25		-17.25	

	FY 1997-98	FY 1998-99
Requirements	$ 792,527	$ 787,013
Receipts	($ 300)	($ 300)
Appropriation	$ 792,227	$ 786,713

Plant Industry - Plant Protection

8 Bee Regulatory Support	$170,212	R	$170,212	R
Funds for expanded regulatory support to protect the North Carolina bee and honey industry from parasitic mites, bee disorders and the Africanized bee.	$45,894	NR		
	2.00		2.00	
Total Legislative Changes	**($39,215)**	**R**	**$71,649**	**R**
	$336,145	**NR**		
Total Position Changes	-1.25		-0.25	
Revised Budget	**$49,777,660**		**$49,760,632**	

Labor

GENERAL FUND

	FY 97-98	FY 98-99
Recommended Continuation Budget	**$16,068,855**	**$15,986,184**

Legislative Changes

Boiler and Pressure Vessel Bureau

9 Expand Inspection Staff with Receipt Support

Adds four boiler and pressure vessel inspection staff to conduct safety inspections in accordance with inspection intervals set by the Commissioner. Funding support will be provided with increased receipts generated by inspections conducted with these additional positions.

	FY 1997-98	FY 1998-99
Requirements	$ 211,316	$ 196,316
Receipts	(211,316)	(196,316)
Appropriation	0	0

Elevator and Amusement Device Bureau

10 Expand Inspection Staff with Receipt Support

Adds four elevator inspection staff and one administrative support position to conduct safety inspections -- at six month intervals -- of all elevators in the state. Funding support will be provided with increased receipts generated by these positions assisting in the increased frequency of elevator inspections from an average of every 10 months to every 6 months.

	FY 1997-98	FY 1998-99
Requirements	$ 248,061	$ 228,361
Receipts	(248,061)	(228,361)
Appropriation	0	0

Information Office

11 1-800-LABOR-NC Operating Support	$34,825	R	$34,825	R
Provides an additional position and operating support to answer incoming calls on the Department's toll-free telephone number.	$6,000	NR		
	1.00		1.00	

OSHNC Division

12 Transfer Enforcement Positions to Federal Support	($192,546)	R	($192,546)	R
Shifts six OSH Enforcement positions (3 full-time equivalents) and operating support from 100% state funding to 50% federal and 50% state funded support.	-3.00		-3.00	

Total Legislative Changes	**($157,721)**	**R**	**($157,721)**	**R**
	$6,000	**NR**		
Total Position Changes	-2.00		-2.00	
Revised Budget	**$15,917,134**		**$15,828,463**	

Environment, Health, and Natural Resources

	GENERAL FUND			
	FY 97-98		FY 98-99	
Recommended Continuation Budget	$253,269,888		$252,502,338	
Legislative Changes				
(2.00) Environmental Education				
13 Environmental Education Grant Fund				
Funds to provide grants to schools, community organizations and environmental education centers to develop environmental education libraries and to promote environmental education activities.	$200,000	NR		
(2.00) Forest Resources				
14 Reduce equipment	($200,000)	R	($200,000)	R
Reduce communications equipment budget.				
15 Defer Equipment Replacement	($500,000)	R	($500,000)	R
Defer replacement of certain property, plant and equipment items in forestry field operations.				
16 Increase Receipts	($120,000)	R	($120,000)	R
Increase receipts collected from counties. Counties share in the cost of forestry operations with a match based on the tax base of the county.				
17 Assistant County Ranger	$19,028	R	$19,028	R
Funds for an Assistant County Ranger in Randolph County.	$21,900	NR		
	1.00		1.00	
18 Operation of Amphibious Water Scooping Tanker	$706,950	R	$706,950	R
	$81,750	NR		
Operating funds for personnel, equipment, maintenance, and parts associated with the purchase of an amphibious water scooping tanker aircraft for fire control statewide.	4.00		4.00	
19 District 12 Helicopter Funds				
Funds to cover the costs associated with preparing a federal surplus helicopter for fire control in District 12.	$282,560	NR		
20 Equipment Funds				
Increase equipment funds for FY 1997-98.	$500,000	NR		
21 Communications Equipment				
Increase communications budget for FY 1997-98.	$200,000	NR		

22 Rural Community Fire Protection Program Funds to provide both fire training and assistance with the purchase/loan of fire equipment and supplies for rural fire departments.	$100,000 1.00	R	$100,000 1.00	R
23 Museum of Forestry Grant-in-aid to Columbus County for planning and developing a Museum of Forestry.	$250,000	NR		
(2.00) Marine Fisheries				
24 Moratorium Steering Committee Eliminate funding for the Fisheries Moratorium Steering Committee, which submitted its final report to the Joint Legislative Commission on Seafood and Aquaculture in October 1996.	($25,000)	R	($25,000)	R
25 Reduce Marine Fisheries Patrol Equipment Reduce equipment budget to reflect reduced equipment needs associated with the Marine Fisheries law enforcement expansion request funded in 1995, in accordance with the five year fiscal estimate submitted by the division.	($187,321)	R	($187,321)	R
26 Operating Reserve for Patrol Vessel Fund vessel operating reserve for the 1998-99 fiscal year. The reserve is for a patrol vessel funded with a 1996-97 capital improvement appropriation and was omitted from the continuation budget by error.			$97,436	R
27 Marine Fisheries Commission Funds to establish standing advisory committees and permanent staff for the Marine Fisheries Commission. Funds contingent upon passage of HB 1097.	$247,563 $17,000 2.00	R NR	$247,563 2.00	R
28 Information Technology and Data Management Funds Funds to establish advanced computer based technologies to modernize and consolidate existing computerized information management, and expand computer based data management and analysis capabilities.	$155,000 $500,000 2.00	R NR	$155,000 2.00	R
(2.00) Museum of Natural Science				
29 Grassroots Science Museums Funds to add two new museums to the Grassroots Science Program: Museum of Coastal Carolina Iredell County Children's Museum	$100,000	R	$100,000	R
(2.00) Parks and Recreation				
30 Environmental Education Learning Experiences Funds to provide supplies and materials for Environmental Education Learning Experiences (EELE) programs at state parks.	$30,000	NR		

(2.00) Soil and Water Conservation

31 Area 3 Coordinator	$43,600	R	$43,600 R
Funds to support a new position and equipment needs of a regional coordinator for Area 3 of the State Soil and Water Conservation districts.	$3,000 1.00	NR	1.00
32 Agriculture Cost Share for Animal Waste Management			
Additional funds for the Agriculture Cost Share Program for Nonpoint Source Pollution Control to assist existing farming operations in obtaining approved animal waste management plans.	$2,000,000	NR	
33 Agriculture Cost Share County Technical Assistance			
Additional funds to reimburse counties up to 50% of the costs of providing technical assistance in the planning, design and installation of agricultural BMPs to improve water quality.	$300,000	NR	
34 Soil and Water District Travel Funds			
Funds for local Soil and Water Conservation Districts for travel and per diem expenses of district supervisors.	$150,000	NR	

(3.00) Air Quality

35 Increase Receipts	($200,000)	R	($200,000) R
Increase the budgeted amount of program receipts and reduce the General Fund appropriation by an equal amount.			

(3.00) Land Resources

36 Dam Safety Inspection and Assistance	$255,336	R	$255,336 R
Funds to establish additional positions to increase the number of dam inspections and to provide technical assistance to owners in the areas of design and construction planning, maintenance, repairs, and emergency action plans.	$19,000 5.00	NR	5.00

(3.00) Water Quality

37 Wastewater Treatment System Operator Training			
Funds to provide training, certification and continuing education courses for wastewater treatment system operators for one year.	$474,795 5.00	NR	
38 Basinwide Data Management System Development	$260,846	R	$375,153 R
Funds for a program delivery initiative to focus on consolidating all existing databases and facilitating access to environmental programs and data. Support staff and equipment needed to maintain the system will be phased in.	1.00		3.00

(3.00) Water Resources

39 Regional Groundwater Management			
Funds for monitoring in the Black Creek and Upper Cape Fear aquifers and for maintenance of monitoring wells in the area. The effective date for these positions is October 1, 1997.	$150,000	NR	

(4.00) Environmental Health

40 Assistance to Local On-Site Wastewater Programs Funds to provide additional training, technical assistance and regulatory oversight to local programs in the areas of plan review, septic tank design, manufacture, installation and performance.	$226,212 $23,800 4.00	R NR	$226,212 4.00	R
41 Support for Local Environmental Health Programs Funds to provide training, continuing education and technical assistance to local environmental health specialists performing food, lodging and institution inspections, and other regulatory activities to ensure the sanitation and safety of swimming pools, spas and tatoo artists.	$236,935 $13,075 4.00	R NR	$236,935 4.00	R
42 Food Sanitation Training Funds Funds to provide training and continuing education to persons who conduct food and lodging inspections for county health departments.	$100,000	NR		
43 Childhood Lead Exposure Control Funds to expand the state's Childhood Lead Poisoning Prevention Program to emphasize compliance with maintenance standards to minimize lead hazards. Funds contingent upon passage of SB 806.	$210,879 $26,200 3.00	R NR	$210,879 3.00	R

(4.00) Epidemiology

44 Alcohol Chemical Testing Certification Program Reduce General Fund support for the alcohol chemical testing training and certification program to more accurately reflect actual expenditures.	($200,000)	R	($200,000)	R
45 Rabies Detection and Prevention Program Funds to provide additional professional consultation and education services to help prevent the spread of rabies.	$50,000 1.00	R	$50,000 1.00	R

(4.00) Health Promotion

46 Heart Disease & Stroke Prevention Awareness Funds to develop and maintain a database of existing cardiovascular disease related services and to conduct a statewide media campaign to raise awareness about cardiovascular disease, as recommended by the Heart Disease and Stroke Prevention Task Force established in 1995.	$170,500 $29,500	R NR	$170,500	R
47 Cancer Control Plan Implementation Funds Funds to begin implementation of the North Carolina Cancer Control Plan prepared by the Advisory Committee on Cancer Coordination and Control.	$250,000 $100,000	R NR	$250,000	R
48 State Games of North Carolina Funds for the Governor's Council on Physical Fitness to support the State Games.	$150,000	NR		

(4.00) Laboratory Services

49 Rabies Laboratory Analysis Funds	$79,630 $29,150	R NR	$79,630	R
Funds for additional personnel, supplies and equipment to enhance rabies testing performed by the State public health lab.	2.00		2.00	

(4.00) Maternal and Child Health

50 Maternal Outreach Worker Program	$600,000	R	$600,000	R
Funds to expand the maternal outreach worker program by providing funding for 22 additional home visitors employed by local service providers.	1.00		1.00	
51 Children's Vision Screening Program				
Funds to support a statewide training and certification program for school-based vision screeners. The department will contract with Prevent Blindness, Inc. to implement the program.	$419,000	NR		
52 Cochlear Implants				
Funds for grant to UNC Board of Governors for the Carolina Communicative Disorders Program at the School of Medicine at UNC-Chapel Hill to provide cochlear implants and other communication devices for hearing impaired children.	$230,000	NR		
53 UNC Craniofacial Center				
Funds for grant to UNC Board of Governors for the UNC Craniofacial Center at the School of Dentistry at UNC-Chapel Hill to provide diagnostic and treatment services for children with craniofacial anomalies.	$343,000	NR		
54 Non-Medicaid Maternity Care Coordination	$170,900	R	$170,900	R
Funds to provide case management services to women who do not meet Medicaid eligibility requirements. This item restores a reduction taken in 1996.				

(5.00) Reserves and Special Funds

55 Water Conservation and Infrastructure District	($500,000)	R	($500,000)	R
Nonrecurring funds appropriated for the District by the 1995 General Assembly were not eliminated from the 1997-99 continuation budget in error.				
56 National Committee for the New River, Inc.				
Grant-in-aid to the National Committee for the New River, Inc. for riparian easement acquisition.	$70,000	NR		
57 State Parks Cleanup Reserve				
Reserve for cleanup and repairs at state parks associated with 1996 hurricane and ice storm damage.	$750,000	NR		
58 Maintenance of Existing Water Quality Programs				
Reserve to maintain the existing level of staff in the Water Quality Section to continue water quality programs and activities at the current level of service for one year.	$1,000,000	NR		

59 Healthy Start Foundation

Funds to provide statewide planning, promotion, and coordination for the First Step Campaign and to support other programs and activities aimed at reducing infant mortality.	$650,000	NR		

60 Core Sound Use Mapping

Funds to develop a human use map and user coordination plan for Core Sound.	$100,000	NR		

(6.00) Department Wide

61 Salary/Span of Control/ Operating Reductions	($2,300,453)	R	($2,300,453)	R
Represents the Department's allocated share of this overall reduction:	-33.94		-33.94	

Office of Controller	
Salary and fringes for 1.00 FTE	$27,541
General Services Office	
Salary and fringes for 1.00 FTE	$25,561
Information Technology Services	
Salary and fringes for 1.00 FTE	$39,669
Applications Analyst Prog. Specialist (.19 FTE Vacant)	$10,782
Personnel/Human Resources	
Salary and fringes for 1.00 FTE	$47,026
Public Health Communication	
Salary and fringes for 1.00 FTE	$45,380
Local Health Services	
Salary and fringes for 1.00 FTE	$31,602
Environmental Health	
Salary and fringes for 1.00 FTE	$24,286
Dental Health	
Salary and fringes for 1.00 FTE	$97,175
State Center for Health Statistics	
Salary and fringes for 1.00 FTE	$26,682
Maternal and Child Health	
Salary and fringes for 7.00 FTEs	$364,633
Cystic Fibrosis Purchase of Care funds	$148,699
Nutrition Program Supervisor (.30 FTE Vacant)	$ 11,329
Health Promotion	
Salary and fringes for 3.00 FTEs	$138,092
Marine Fisheries	
Salary Reserve	$13,861
Oyster Rehabilitation operating funds	$133,655

Soil and Water Conservation	
Equipment, supplies & travel funds	$56,875
Forest Resources	
Communications Equipment	$140,000
Office of Environmental Education	
Project Tomorrow grants and contracts	$25,000
Aquariums	
Supplies and materials	$41,777
Museum of Natural Science	
Temporary Wages	$50,000
Natural Science Education Curator (1.00 FTE Vacant)	$56,524
Parks and Recreation	
Increase receipts	$140,000
North Carolina Zoo	
Salary and fringes for 3.55 FTEs	$85,000
Air Quality	
Salary and fringes for 1.00 FTE	$19,105
Water Quality	
Salary and fringes for 3.00 FTEs	$105,995
Salary Reserve	$69,625
Wetlands Restoration operating funds	$14,449
Coastal Management	
Salary and fringes for 1.00 FTE	$25,068
Land Resources	
Salary and fringes for 1.00 FTE	$43,279
Operating support	$12,124
Water Resources	
Salary and fringes for 1.00 FTE	$29,971
Pollution Prevention & Environmental Assistance	
Salary and fringes for 1.00 FTE	$19,800
Operating support	$ 2,332
Radiation Protection	
Eliminate receipt supported Deputy Division Director position, and shift portion of funding for Division Director position from General Funds to receipts. (.90 FTE)	$80,900
Contracts	$25,094
Waste Management	
Salary and fringes for 1.00 FTE	$58,566
Operating support	$12,996
TOTAL REDUCTIONS	$2,300,453

Total Legislative Changes	**($349,395)**	**R**	**($137,652)**	**R**
	$9,213,730	**NR**		
Total Position Changes	3.06		0.06	
Revised Budget	**$262,134,223**		**$252,364,686**	

Commerce

	GENERAL FUND			
	FY 97-98		FY 98-99	
Recommended Continuation Budget	**$37,221,648**		**$37,240,885**	
Legislative Changes				
Administrative Services				
62 Budget Indirect Cost Receipts	($52,000)	R	($52,000)	R
Increase the budgeted amount of indirect costs receipts and reduce General Fund appropriation by an equal amount.				
Business and Industry Division				
63 Marketing Missions and Trade Shows	$80,000	R	$80,000	R
Increases funding support for the Division's participation at industry trade shows and for conducting national marketing missions.				
64 Regional Office Staff Support	$22,100	R	$26,000	R
Provides an administrative support position for the Piedmont Triad Regional Office. The effective date of the position is September 1, 1997.	$5,900 1.00	NR	 1.00	
65 Fund Industrial Recruitment Competitive Fund				
Provides nonrecurring funding support for the Industrial Recruitment Competitive Fund.	$1,000,000	NR		
Commission on Workforce Preparedness				
66 Eliminate General Fund Support	($103,984)	R	($104,144)	R
Eliminates General Fund support to the Commission on Workforce Preparedness. This reduction abolishes the position of Executive Director and transfers to full receipt support an Administrative Assistant position that is partially supported with General Funds.	-1.15		-1.15	
Department Wide				
67 Salary Reductions/Span of Control	($672,485)	R	($672,485)	R
Represents the Department's allocated share of this overall reduction:	-17.00		-17.00	
Administrative Services Salary and fringes for 1.00 FTE $99,038				
Economic Development Program Salary and fringes for 2.00 FTEs $71,904				
Business and Industry Division Salary and fringes for 1.00 FTE $76,023				

International Trade Division Salary and fringes for 2.00 FTEs	$77,862
Division of Energy Salary and fringes for 1.00 FTE	$42,029
Division of Community Assistance Salary and fringes for 1.00 FTE	$54,264
Division of Travel and Tourism Salary and fringes for 1.00 FTE	$24,065
Industrial Commission Salary and fringes for 8.00 FTEs	$227,300
TOTAL REDUCTIONS	$672,485

Economic Development Program

68 Reduce Support for Data Processing & Subscriptions Reduce funding support for data processing services, subscriptions, and membership dues.	($29,000)	R	($29,000)	R
69 Enhance EDIN System Funds to enhance the Economic Development Information Network System.	$50,000	NR		

Executive Aircraft

70 Reduce Repair Funds Reduce funding support for aircraft repair.	($188,000)	R	($188,000)	R
71 Additional Funds for Lease Additional funds for aircraft lease.	$350,000	R	$350,000	R

Film Office

72 Reduce Travel Reduce budget for board and nonemployee transportation.	($25,000)	R	($25,000)	R

Global TransPark Marketing

73 Reduce Support for Global TransPark Marketing Reduce General Fund transfer from the Department of Commerce to the Global TransPark Authority in the Department of Transportation for marketing the Global TransPark.	($150,000)	R	($150,000)	R

Industrial Commission

74 Budget Hearing Cost Receipts Increase the budgeted amount of the Commission's Hearing Cost receipts and reduce General Fund appropriations by an equal amount.	($202,000)	R	($202,000)	R

75 Case Management System	$638,571	R	$638,571	R
Provides funds for operating and maintenance costs, staff support to maintain hardware and software, and to develop system applications.	$17,700 3.00	NR	 3.00	
76 Temporary Positions				
Provides nonrecurring funds to support temporary positions to assist with the Commission's backlog of claims, hearings, and appeals.	$100,000	NR		
Industrial Finance Center				
77 Fund Utility Account (Industrial Development Fund)				
Provides nonrecurring funding support for economic development related water and sewer infrastructure projects in tier one enterprise counties.	$500,000	NR		
78 Increase Operating Support	$50,000	R	$50,000	R
Provides additional operating support for the Industrial Finance Center.	$20,000	NR		
International Trade				
79 International Trade Specialists	$180,736	R	$196,044	R
Increase the number of international trade specialists to enhance the state's marketability to potential customers in "Big Emerging Markets" (BEM). The effective date of these positions is September 1, 1997.	$12,000 2.00	NR	 2.00	
80 Global Offices	$300,000	R	$300,000	R
Funds to contract with representatives to expand the division's foreign offices into 4 new and emerging markets in and around South Africa, the United Kingdom, South America, and the Middle East.				
81 Foreign Trade Shows	$200,000	R	$200,000	R
Increase recurring funding for trade shows and missions to expose small and medium sized companies to the international marketplace.				
NC Alliance for Competitive Technologies				
82 Recurring Funding Support to Continue Operations	$375,000	R	$375,000	R
Provides recurring state funding support to replace three-year federal grant and matching nonrecurring state funding support that will expire at the end of fiscal year 1996-97. Funding will allow the North Carolina Alliance for Competitive Technologies to continue operation as a state agency.	3.00		3.00	
Reserves and Transfers				
83 Reduce Support for the Regional Commissions	($405,000)	R	($405,000)	R
Reduces grant-in-aid support for the seven Regional Economic Development Commissions from $4.68 million to $4.275 million.				

84 State Government Competition Commission Funds to be transferred to the Office of State Budget and Management to support the North Carolina Government Competition Commission.	$5,600	R	$5,600	R
85 Special Olympics 1999 World Summer Games Nonrecurring funds to support the Special Olympics 1999 World Summer Games.	$500,000	NR		
Travel and Tourism				
86 Budget Additional Receipts Increase the amount of budgeted receipts and reduce General Fund appropriation by an equal amount.	($12,000)	R	($12,000)	R
87 Advertising Funds Expand current promotional advertising funds and associated expenses to promote North Carolina as a travel destination.	$1,000,000	NR		
88 International Marketing Funds to continue and expand the promotion of North Carolina as a travel destination in the international arena.	$1,000,000	NR		
89 1-800-VISIT-NC Additional funds for the tourism hotline operated at Women's Prison.	$250,000	NR		
90 Rural Tourism Development Funds Funds to support the Rural Tourism Development Grants program.	$100,000	NR		
Total Legislative Changes	**$362,538** **$4,555,600**	R NR	**$381,586**	R
Total Position Changes	-9.15		-9.15	
Revised Budget	**$42,139,786**		**$37,622,471**	

State Aid to Non-State Entities

	GENERAL FUND			
	FY 97-98		FY 98-99	
Recommended Continuation Budget	**$1,475,000**		**$1,475,000**	
Legislative Changes				
Grants-in-Aid				
91 Land Loss Prevention Project	($275,000)	R	($275,000)	R
Eliminate recurring appropriation for the Land Loss Prevention Project and defer consideration to expansion.				
92 Coalition of Farm and Rural Families	($145,000)	R	($145,000)	R
Eliminate recurring appropriation to the Coalition of Farm and Rural Families and defer consideration to expansion.				
93 Institute of Minority Economic Development	($780,000)	R	($780,000)	R
Eliminate recurring appropriation and defer consideration to expansion.				
94 North Carolina Minority Support Center	($275,000)	R	($275,000)	R
Eliminate recurring appropriation and defer consideration to expansion.				
95 Land Loss Prevention Project	$350,000	NR		
Funds to provide free legal representation to low-income, financially distressed farmers.				
96 Coalition of Farm and Rural Families	$250,000	NR		
Funds to foster economic development within the state's rural farm communities by offering marketing and technical assistance to small and limited resource farmers.				
97 Institute for Minority Economic Development	$800,000	R	$800,000	R
Funds to foster economic development within the state through policy analysis, information and technical assistance, resource expansion, and support of community-based initiatives.				
98 North Carolina Minority Support Center	$375,000	NR		
Funds to provide technical assistance to community-based minority credit unions.				
99 Technological Development Authority	$3,000,000	NR		
Grant-in-aid to the N.C. Technological Development Authority, Inc. for entrepreneurial support and infrastructure including creating new incubators, enhancing existing incubators, developing capital formation initiatives, supporting research commercialization programs and matching federal grant and loan funds.				

100 World Trade Center North Carolina				
Grant-in-Aid to the World Trade Center North Carolina to support international trade education programs to small and medium sized businesses.	$300,000	NR		
101 Center for Community Self-Help				
Provide funds to further a statewide program of lending for home ownership.	$3,000,000	NR		
102 Yadkin/Pee Dee Lakes Project				
Funds to the Yadkin/Pee Dee Lakes Project, Inc. to promote tourism and economic development in the area.	$100,000	NR		
103 Transfer N.C. Community Development Initiative	$1,800,000	R	$1,800,000	R
Transfer funding for the North Carolina Community Development Initiative, Inc. from the Rural Economic Development Center to the Department of Commerce.				
104 N.C. Community Development Initiatve	$200,000	R	$200,000	R
Additional funds for the North Carolina Community Development Initiative to support operating and program activity grants to mature community development corporations.				
105 Textile Museum				
Grant-in-Aid to the Town of Erwin (Harnett County) for a textile museum. Funds shall be matched on the basis of $1.00 of non state funds for every $1.00 of state funds.	$250,000	NR		
Total Legislative Changes	**$1,325,000**	**R**	**$1,325,000**	**R**
	$7,625,000	**NR**		
Total Position Changes				
Revised Budget	**$10,425,000**		**$2,800,000**	

NC Biotechnology Center

	GENERAL FUND			
	FY 97-98		FY 98-99	
Recommended Continuation Budget	**$7,664,396**		**$7,664,396**	
Legislative Changes				
NC Biotechnology Center				
106 Economic Development Investment Fund				
Nonrecurring funding increase for the N.C. Biotechnology Center's Economic Development Investment Fund. Funds provided are to be used for loans or equity investment to biotechnology companies and to biomedical and other bioscience related companies.	$1,000,000	NR		
107 Historically Minority Universities				
Additional nonrecurring funding to support biotechnology programs at the State's six Historically Minority Universities (Elizabeth City State University, Fayetteville State University, NC A&T State University, NC Central University, University of North Carolina-Pembroke, and Winston-Salem State University).	$1,000,000	NR		
Total Legislative Changes	**$2,000,000**	**NR**		
Total Position Changes				
Revised Budget	**$9,664,396**		**$7,664,396**	

Rural Economic Development Center

GENERAL FUND

	FY 97-98		FY 98-99	
Recommended Continuation Budget	**$5,870,000**		**$5,870,000**	
Legislative Changes				
N.C. Association of CDCs				
108 N.C. Association of CDCs				
Additional funding for the North Carolina Association of Community Development Corporations, Inc. to provide training and technical assistance to community development corporations statewide.	$50,000	NR		
N.C. Community Development Initiative				
109 Transfer N.C. Community Development Initiative	($1,800,000)	R	($1,800,000)	R
Transfer funding for the North Carolina Community Development Initiative, Inc. from the Rural Economic Development Center to the Department of Commerce.				
Rural Economic Development Center				
110 Supplemental Funding Program				
Additional funds to support the Supplemental Funding Program for economic development in rural communities.	$2,650,000	NR		
Total Legislative Changes	**($1,800,000)**	R	**($1,800,000)**	R
	$2,700,000	NR		
Total Position Changes				
Revised Budget	**$6,770,000**		**$4,070,000**	

SP- 163

CODE NO. 97COMM-H030A

Requested by: Representatives Mitchell, Baker, Carpenter

WORKER TRAINING TRUST FUND APPROPRIATIONS

Section @. (a) There is appropriated from the Worker Training Trust Fund to the Employment Security Commission of North Carolina the sum of six million six hundred eighty-nine thousand nine hundred sixty-four dollars ($6,689,964) for the 1997-98 fiscal year and the sum of six million six hundred eighty-nine thousand nine hundred sixty-four dollars ($6,689,964) for the 1998-99 fiscal year for the operation of local offices.

(b) Notwithstanding the provisions of G.S. 96-5(f), there is appropriated from the Worker Training Trust Fund to the following agencies the following sums for the 1997-98 and the 1998-99 fiscal years for the following purposes:

(1) $2,400,000 for the 1997-98 fiscal year and $2,400,000 for the 1998-99 fiscal year to the Department of Commerce, Division of Employment and Training, for the Employment and Training Grant Program;

(2) $1,000,000 for the 1997-98 fiscal year and $1,000,000 for the 1998-99 fiscal year to the Department of Labor for customized training of the unemployed and the working poor for specific jobs needed by employers through the Department's Bureau for Training Initiatives;

(3) $1,746,000 for the 1997-98 fiscal year and $1,746,000 for the 1998-99 fiscal year to the Department of Community Colleges to continue the Focused Industrial Training Program;

(4) $225,000 for the 1997-98 fiscal year and $225,000 for the 1998-99 fiscal year to the Employment Security Commission for the Occupational Information Coordinating Committee to develop and operate an interagency system to track former participants in State education and training programs;

(5) $400,000 for the 1997-98 fiscal year and $400,000 for the 1998-99 fiscal year to the Department of Community Colleges for a training program in entrepreneurial skills to be operated by North Carolina REAL Enterprises; and

(6) $50,000 for the 1997-98 fiscal year and $50,000 for the 1998-99 fiscal year to the Office of State Budget and Management to maintain compliance with Chapter 96 of the General Statutes, which directs the Office Of State Budget and Management to employ the Common Follow-Up Management Information System to evaluate the effectiveness of the State's job training, education, and placement programs.

(7) $100,000 for the 1997-98 fiscal year and $100,000 for the 1998-99 fiscal year to the State Board of Education for the Teacher Apprenticeship Program.

(8) $500,000 for the 1997-98 fiscal year and $1,000,000 for the 1998-99 fiscal year to the Department of Labor to expand the Apprenticeship Program. It is intended that the appropriation of funds in this subdivision will result in the Department of Labor serving a benchmark performance level of 10,000 adult and youth apprentices by the year 2000.

CODE NO. 97COMM-H029

Requested by: Representatives Mitchell, Baker, Carpenter

INDUSTRIAL DEVELOPMENT FUND UTILITY ACCOUNT

Sec. @. (a) Of the funds appropriated in this act to the Department of Commerce for the 1997-98 fiscal year, the sum of five hundred thousand dollars ($500,000) shall be deposited to and used for the Utility Account established under G.S. 143B-437A(b1).

(b) In addition to the reporting requirements of G.S. 143B-437A, the Department of Commerce shall report annually to the General Assembly concerning the payments made from the Utility Account and the impact of the payments on job creation in the State. The Department of Commerce shall also report quarterly to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division on the use of the moneys in the Utility Account including information regarding to whom payments were made, in what amounts, and for what purposes.

SP-166

CODE NO. 97COMM-H032

Requested by: Representatives Mitchell, Baker, Carpenter

STATE GOVERNMENT COMPETITION INITIATIVE

Sec. @. The General Statutes are amended by adding a new Chapter to read:

"Chapter 143C.

"North Carolina Government Competition Act of 1997.

"**§ 143C-1. Short title.**

This Chapter shall be known and may be cited as the 'North Carolina Government Competition Act'.

"**§ 143C-2. Definitions.**

As used in this Chapter, unless the context otherwise requires:

(1) 'Commission' means the North Carolina Government Competition Commission.

(2) 'State agency' means any State department, agency, or institution.

"**§ 143C-3. North Carolina Government Competition Commission created; duties.**

(a) There is hereby created the North Carolina Government Competition Commission. The purpose of the Commission is to be the catalyst to cause the use of competition to improve the delivery of State government services, to make State government more effective and more efficient, and to reduce the costs of government to taxpayers.

(b) The Commission shall:

(1) Develop an institutional framework for a statewide competition initiative to encourage innovation and competition within State government.

(2) Establish a system to encourage the use of feasibility studies and innovation to determine where competition could reduce government costs without adversely affecting essential services.

(3) Monitor the activities, products, and services of State agencies to bring an element of competition and to ensure a spirit of innovation and entrepreneurship to compete with the private sector to increase the quality of services or reduce costs to taxpayers.

(4) Identify any barriers to competition in State government and recommend actions to overcome those barriers.

(5) Promote acceptance of competition by State government officials and State employees as a viable alternative to in-house operations for delivering State government services where savings to the State may be realized through competition, including the development and implementation of State employee adjustment and incentive programs.

(6) Advocate, develop, and accelerate implementation of a competitive program for State agencies to ensure competition for the provision or production of government services from both public sector and private sector entities.

(7) Establish approval, planning, and reporting processes required to carry out the functions of the Commission.

(8) Determine the competition potential of a State program or activity, perform cost and benefit analyses, and conduct public and private competition analyses.

(9) Devise evaluation criteria to be used in conducting performance reviews of any State program or activity which is subject to a competition recommendation.

(10) Assess the short-term and long-term results of State government competition efforts.

(11) Appoint, as needed, ad hoc committees relating to specific matters within the Commission's purview.

"**§ 143C-4. Membership; appointment; terms; vacancies; chair; quorum; compensation.**

(a) The Commission shall be composed of nine members to be appointed as follows:

(1) Three members appointed by the Governor, one of whom shall be a State employee and two of whom shall be members of the private sector, and one of these private sector members shall have large scale purchasing experience.

(2) Three members appointed by the Speaker of the House of Representatives, two of whom shall be members of the private sector.

(3) Three members appointed by the President Pro Tempore of the Senate, two of whom shall be members of the private sector.

Members of the Commission shall serve two-year terms. In making the initial appointments to the Commission, the respective

appointing authorities shall appoint at least one member for a one-year term so that subsequent terms stagger.

(b) All initial appointments shall be effective July 1, 1997. The initial members' terms shall end on June 30 of the applicable year in which a term expires, with the subsequent term beginning on July 1 of that year. No member may serve more than two consecutive terms. Vacancies shall be filled by the appointing authority for any unexpired portion of a term. Members shall receive subsistence, per diem, and travel allowances as provided by G.S. 138-5.

(c) A majority of the members shall constitute a quorum. The Commission shall annually elect its chair and vice-chair from among its members.

"§ 143C-5. Cooperation of other State agencies.

All State agencies shall cooperate with the Commission and, upon request, assist the Commission in the performance of its duties and responsibilities. The Commission shall not impose unreasonable burdens or costs in connection with requests of State agencies.

"§ 143C-6. Staff support; application for and acceptance of gifts and grants; authority to enter into contract.

(a) The Office of State Budget and Management shall provide staff support to the Commission to enable it to perform its duties as provided by this Chapter.

(b) The Commission may apply for, accept, and expend gifts, grants, or donations from public or private sources to enable it to better carry out its objectives. No entity which provides a gift, donation, or grant shall be eligible for a contract award which results from action of a Commission recommendation.

(c) The Commission may enter into contracts for professional or consultant service. Any consultant awarded a contract under this subsection shall be ineligible for a contract award resulting from the consultant's recommendations.

"§ 143C-7. Public-private competition analysis; proposals for competition.

(a) The Governor or the General Assembly may direct any State agency to perform a public-private competition analysis covering any service for which the Commission has received a qualifying unsolicited proposal for competition from a private entity which is consistent with the Commission's purposes and duties as provided by this Chapter.

(b) The Commission may solicit competition proposals from private entities in order to make cost comparison decisions. Any

State agency may submit proposals to the Commission for cost comparison decisions.

"**§ 143C-8. Duties of the Office of State Budget and Management.**

The Office of State Budget and Management shall determine the amount of an existing appropriation that would no longer be needed by a State agency as the result of savings realized through competition and shall report annually, by February 1, the nature and amount of the savings to the Governor and to the General Assembly.

"**§ 143C-9. Reports to the Governor and General Assembly.**

The Commission shall report annually, by February 1, its findings and recommendations to the Governor and to the General Assembly and may make other interim reports it deems advisable. By February 1, 1999, the Commission shall make a special report of its progress to the Governor and to the General Assembly."

(b) Of the funds appropriated in this act to the Department of Commerce, the sum of five thousand six hundred dollars ($5,600) for the 1997-98 fiscal year and the sum of five thousand six hundred dollars ($5,600) for the 1998-99 fiscal year is transferred to the Office of State Budget and Management to carry out the purposes of this section.

(c) This section becomes effective July 1, 1997 and expires June 30, 2001.

CODE NO. 97COMM-H017A

Requested by: Representatives Mitchell, Baker, Carpenter

FUNDS FOR ECONOMIC DEVELOPMENT

Section @. (a) Of the funds appropriated in this act to the Department of Commerce, the sum of nine hundred seventy-five thousand dollars ($975,000) for the 1997-98 fiscal year shall be allocated as follows:

(1) $350,000 to the Land Loss Prevention Project, Inc., to provide free legal representation to low-income, financially distressed small farmers. The Land Loss Prevention Project, Inc., shall not use these funds to represent farmers who have income and assets that would make them financially ineligible for legal services pursuant to Title 45, Part 1611 of the Code of Federal Regulations;

(2) $250,000 to the North Carolina Coalition of Farm and Rural Families, Inc., for its Small Farm Economic Development Project. These funds shall be used to foster economic development within the State's rural farm communities by offering marketing and technical assistance to small and limited resource farmers; and

(3) $375,000 to the North Carolina Minority Support Center (formerly known as the Minority Credit Union Support Center) for technical assistance to community-based minority credit unions.

(b) Each of the nonprofit organizations receiving funds under this section shall:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:

a. State fiscal year 1996-97 program activities, objectives, and accomplishments;

b. State fiscal year 1996-97 itemized expenditures and fund sources;

c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997; and

d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual

expenditures and fund sources through December 31, 1997.

(2) Provide to the Fiscal Research Division a copy of the organization's annual audited financial statement within 30 days of issuance of the statement.

CODE NO. 97COMM-H031A

Requested by: Representatives Mitchell, Baker, Carpenter

AFFORDABLE HOUSING ASSISTANCE FUNDS

Sec. @. (a) Of the funds appropriated in this act to the North Carolina Housing Finance Agency for the Housing Trust Fund, the sum of five hundred thousand dollars ($500,000) for the 1997-98 fiscal year may be allocated by the Housing Finance Agency to community-based nonprofit low-income housing development and technical assistance organizations. Funds allocated shall be used to support the development of housing affordable to persons of low income, for direct grants to new and existing housing development and technical assistance organizations to support operations and project activities, and for administrative and other operational purposes that expand the capacity of these organizations to provide affordable housing and associated comprehensive services and programs.

(b) The North Carolina Housing Finance Agency shall adopt rules governing the eligibility of applicants, application procedures, eligibility requirements, criteria and standards for awarding grants and performance standards for continued funding, and shall make available to the general public and interested parties adequate opportunity for input into the rule-making process.

(c) The North Carolina Housing Finance Agency shall report every six months to the Joint Legislative Commission on Governmental Operations on the use of these funds allocated pursuant to this section. The Agency shall not use these funds for its own administrative purposes.

(d) For purposes of this section, the term "community-based nonprofit low-income housing development and technical assistance organization" means a nonprofit corporation chartered pursuant to section 501(c)(3) of the Internal Revenue Code, which has as a major purpose the development and improvement of housing that is affordable to persons of low income; serves the community in which it is located; is neither controlled by, nor under the direction of, individuals or entities seeking to derive profit or gain from the organization; and maintains accountability to low-income community residents through board membership or other formal processes for input into the organization's housing decision-making process. For purposes of this section, the term "low-income" refers to persons and families whose incomes do not exceed eighty percent (80%) of the area median family income,

with adjustments for family size, according to the latest figures available for the United States Department of Housing and Urban Development.

SP-174

CODE NO. 97NATRES-H003B

Requested by: Representatives Mitchell, Baker, Carpenter

BEAVER DAMAGE CONTROL FUNDS

Section @. (a) Subsection (b) of Section 69 of Chapter 1044 of the 1991 Session Laws, as amended by Section 111 of Chapter 561 of the 1993 Session Laws, Section 27.3 of Chapter 769 of the 1993 Session Laws, Section 26.6 of Chapter 507 of the 1995 Session Laws, and Section 27.15 of Chapter 18 of the Session Laws of the 1996 Second Extra Session reads as rewritten:

"(b) The Beaver Damage Control Advisory Board shall develop a program to control beaver damage on private and public lands. Anson, Bertie, Bladen, Brunswick, Carteret, Chatham, Chowan, Craven, Columbus, Cumberland, Duplin, Edgecombe, Franklin, Gates, Granville, Greene, Halifax, Harnett, Hertford, Hoke, Johnston, Jones, Lee, Lenoir, Lincoln, Martin, Nash, Northampton, Onslow, Pamlico, Pender, Pitt, Robeson, Sampson, Scotland, Vance, Warren, Washington, Wayne, and Wilson Counties shall participate in the program. The Beaver Damage Control Advisory Board shall act in an advisory capacity to the Wildlife Resources Commission in the implementation of the program. In developing the program, the Board shall:

(1) Orient the program primarily toward public health and safety and toward landowner assistance, providing some relief to landowners through beaver control and management rather than eradication;

(2) Develop a priority system for responding to complaints about beaver damage;

(3) Develop a system for documenting all activities associated with beaver damage control, so as to facilitate evaluation of the program;

(4) Provide educational activities as a part of the program, such as printed materials, on-site instructions, and local workshops;

(5) Provide for the hiring of personnel necessary to implement beaver damage control activities, administer the program, and set salaries of personnel;

(6) Evaluate the costs and benefits of the program that might be applicable elsewhere in North Carolina.

No later than January 15, ~~1997,~~ of each year, the Board shall issue a report to the Wildlife Resources Commission on the program to date, including recommendations on the feasibility of

continuing the program in participating counties and the desirability of expanding the program into other counties. The Wildlife Resources Commission shall prepare a plan to implement a statewide program to control beaver damage on private and public lands. No later than March 15, ~~1997,~~ of each year, the Wildlife Resources Commission shall present its plan in a report to the House Appropriations Subcommittee on Natural and Economic Resources, the Senate Appropriations Committee on Natural and Economic Resources, and the Fiscal Research Division."

(b) Subsection (h) of Section 69 of Chapter 1044 of the 1991 Session Laws, as amended by Section 111 of Chapter 561 of the 1993 Session Laws, Section 27.3 of Chapter 769 of the 1993 Session Laws, Section 26.6 of Chapter 507 of the 1995 Session Laws, and Section 27.15 of Chapter 18 of the Session Laws of the 1996 Second Extra Session reads as rewritten:

"(h) Subsections (a) through (d) of this section expire June 30, ~~1997.~~ 1998."

(c) Of the funds available to the Wildlife Resources Commission for the 1997-98 fiscal year, the sum of four hundred fifty thousand dollars ($450,000) may be used to provide the State share necessary to continue the beaver damage control program, provided the sum of twenty-five thousand dollars ($25,000) in federal funds is available for the 1997-98 fiscal year to provide the federal share. These funds shall be matched by four thousand dollars ($4,000) of local funds for the 1997-98 fiscal year from each of the participating counties. Counties participating in this program shall make a commitment of their local matching funds to the Wildlife Resources Commission no later than September 30, 1997.

SP-176

CODE NO. 97NATRES-H006C

Requested by: Representatives Mitchell, Baker, Carpenter

STATE PARKS STORM REPAIR FUNDS

Section @. (a) Of the funds appropriated in this act to the Department of Environment, Health, and Natural Resources for the 1997-98 fiscal year, the sum of seven hundred fifty thousand dollars ($750,000) shall be held in a reserve within the Department to be used throughout the 1997-98 fiscal year to repair damages at State parks associated with ice storms and hurricanes in 1996 for which funds are not available from the Federal Emergency Management Agency. The Division of Parks and Recreation of the Department of Environment, Health, and Natural Resources shall not retain funds in this reserve for repairs made pursuant to this subsection for which the Federal Emergency Management Agency either has reimbursed the Department or has committed to reimburse the Department.

(b) Any funds appropriated in this act for the 1997-98 fiscal year for an operating reserve in the Department of Environment, Health, and Natural Resources for the Division of Parks and Recreation that are excess funds may be used to repair damages at State parks associated with ice storms and hurricanes in 1996 for which funds are not available from the Federal Emergency Management Agency.

SP-177

CODE NO. 97HLTH-H011A

Requested by: Representatives Mitchell, Baker, Carpenter

FEDERAL ABSTINENCE EDUCATION FUNDS

Section @. If federal funds are received under the Maternal and Child Health Block Grant for abstinence education, pursuant to Sec. 912 of Public Law 104-193 (42 U.S.C. 710), for the 1997-98 or the 1998-99 fiscal year, or both, then those funds shall be transferred to and administered by the State Board of Education.

5/22 8:30 am

SP-178

CODE NO. 97ENV-H021

Requested by: Representative Owens

NATURAL AND ECONOMIC RESOURCES/RECEIPT SUPPORTED POSITIONS

Section @. (a) The Department of Agriculture, the Department of Commerce, the Department of Environment, Health, and Natural Resources, and the Department of Labor shall by October 15, 1997, and quarterly thereafter, report to the Joint Legislative Commission on Governmental Operations, the Appropriations Subcommittees on Natural and Economic Resources in both the House of Representatives and the Senate, and the Fiscal Research Division regarding the the creation of new receipt-supported positions created within each Department. The report shall include the following information for each new position created with receipts:

(1) The Division and program in which the position is created.
(2) The position title or classification.
(3) The salary.
(4) The funding source.
(5) An explanation of the position responsibilities and the justification for the position.
(6) The designation of the position as full-time, part-time, and if time-limited, the length of time that the position is anticipated to be required.

(b) The Department of Agriculture, the Department of Commerce, the Department of Environment, Health, and Natural Resources, and the Department of Labor shall abolish any receipt supported position upon approval of the Office of State Budget and Management if: (i) the position is vacant for more than one calendar year, and (ii) receipts are insufficient to adequately fund the positions.

The Department of Agriculture, the Department of Commerce, the Department of Environment, Health, and Natural Resources, and the Department of Labor shall by October 15, 1997, and quarterly thereafter, report to the Joint Legislative Commission on Governmental Operations, the Appropriations Subcommittees on Natural and Economic Resources in both the House of Representatives and the Senate, and the Fiscal Research Division regarding any receipt-supported positions that are abolished and shall justify any position that is vacant for a calendar year or longer and is not abolished.

CODE NO. 97ENV-025

Requested by: Representative Baker

SOLID WASTE OPERATOR COURSE EXEMPT

Section @. G.S. 130A-309.25 is amended by adding a new subsection to read:

"(f) The section does not apply to any operator of a solid waste management facility who has five years continuous experience as an operator of a solid waste management facility immediately preceding January 1, 1998, provided that the operator attends a course and completes the continuing education requirements approved by the Department."

CODE NO. 97NATRES-H009B

Requested by: Representative Owens

STATE PARKS FORESTS MANAGEMENT PLANS

Section @. G.S. 113-44.13 reads as rewritten:

"**§ 113-44.13. General management ~~plans.~~ plans; forest management plans.**

(a) Every park classified pursuant to G.S. 113-44.12 shall have a general management plan. The plan shall include a statement of purpose for the park based upon its relationship to the System Plan and its classification. An analysis of the major resources and facilities on hand to achieve those purposes shall be completed along with a statement of management direction. The general management plan shall be revised as necessary to comply with the System Plan and to achieve the purposes of this Article.

(b) The Division of Forest Resources and the Division of State Parks and Recreation shall cooperatively develop forest management plans for every park classified pursuant to G.S. 113-44.12. The park's forest management plan shall be included as a component of its general management plan under subsection (a) of this section. A forest management plan shall contain, at a minimum, provisions regarding fire control, insect and pest control, and timber management."

CODE NO. 97AGRIC-H002B

Requested by: Representative Carpenter

STUDY DESIRABILTY OF REORGANIZING DEPARTMENT OF ENVIRONMENT, HEALTH, AND NATURAL RESOURCES

Section @. (a) The Office of State Budget and Management shall review the programs, divisions, boards, commissions, councils, and committees currently within the Department of Environment, Health, and Natural Resources and shall conduct a study to determine the desirability of reorganizing the Department of Environment, Health, and Natural Resources so as to create two separate departments with one department that would manage and protect the State's natural resources and with a separate department that would protect the environment and contain regulatory programs. The study shall determine:

(1) A proposal for allocating existing administrative operating support and personnel between these two separate departments;

(2) Any additional personnel that would be needed in association with creating these two separate departments and the projected cost of these personnel;

(3) Any additional equipment that would be needed in association with creating these two separate departments and the projected cost of this equipment;

(4) Any additional office space that would be required and its projected cost;

(5) Which programs, divisions, boards, commissions, councils, and committees should be in a department of natural resources, which programs, divisions, boards, commissions, councils, and committees should be in a department of environment, and which programs, divisions, boards, commissions, councils, and committees, if any, should be in other departments;

(6) Any additional factors and costs that should be considered were the Department of Environment, Health, and Natural Resources reorganized so as to create these two separate departments; and

(7) The total costs of reorganizing the Department of Environment, Health, and Natural Resources so as to create these two separate departments.

(b) The Office of State Budget and Management shall recommend whether the Department of Environment, Health, and Natural Resources should be reorganized so as to create two separate departments, with one department that would manage and protect the State's natural resources and with a separate department that would protect the environment and contain regulatory programs. By January 15, 1998, the Office of State Budget and Management shall report on all matters contained in subdivisions (1) through (7) of subsection (a) of this section to the Joint Legislative Commission on Governmental Operations, the Environmental Review Commission, and the Fiscal Research Division.

97-ENV-H

Requested by: Representative Mitchell

ANIMAL WASTE MANAGEMENT SYSTEM REQUIREMENTS

Section @. (a) Section 18 of Chapter 626 of the 1995 Session Laws ia amended by adding a new subsection to read:

"(c) The interagency group and the Department of Environment, Health, and Natural Resources shall report to the Environmental Review Commission by October 1, 1997. The report shall contain the interagency group and Department's proposed changes to the general permits for animal waste management systems and a proposed schedule for issuance of the revised general permits. The proposals for revision shall address the need to make the provisions of the general permits more flexible and practical for the farmers to implement and ensure that the permit provisions do not conflict with the site specific certified animal waste management plans. The interagency group and the Department may reference House Bill 357 in determining the issues to be addressed in the revision process."

(b) Section 19(c)(1) of Chapter 626 of the 1995 Session Laws reads as rewritten:

"(1) G.S. 143-215.10C, as enacted by Section 1 of this act, becomes effective January 1, 1997. In order to ensure an orderly and cost-effective phase-in of the permit program, the Department of Environment, Health, and Natural Resources shall issue permits for animal operations over a five-year period. The Deparment shall issue permits for approximately twenty percent (20%) of the animal waste management facilities that are in operation on January 1, 1997, during each of the five calendar years beginning January 1, 1997, and shall give priority to those animal waste management systems serving the largest animal operations. The issuance of permits for cattle facilities existing on January 1, 1997 shall begin on January 1, 1999. As of January 1, 1997, all new or expanding animal operations as defined in G.S. 143-215.10B(1) shall obtain a permit in accordance with G.S. 143-215.10C prior to construction or operation of the new or expanded facility. An animal waste management system that is deemed permitted by rule on January 1, 1997, under 15A N.C.A.C. 2H.0217 may continue to operate on a deemed permitted basis as provided in subsection (b) of this section. Cattle facilities existing on February 1, 1993 shall continue to be deemed permitted as per 15A-N.C.A.C. 2H .0217 as long as they develop and implement a certified Animal Waste Management Plan by December 31, 1998."

(c) Section 19(c)(4) of Chapter 626 of the 1995 Session Law reads as rewritten:

"(4) Notwithstanding G.S. 143-215.10C (a) through (d), a dry litter animal waste management system involving 30,000 or more birds shall continue to operate on a deemed permitted basis by rule under 15 N.C.A.C. 2H .0217 and shall comply with the animal waste management plan testing and record-keeping requirement by January 1, ~~1998.~~ 2000."

(d) The Department of Environment, Health, and Natural Resources shall adopt revised general permits for animal waste management systems in accordance with the recommendations made by the interagency group and the Deparment to the Environmental Review Commission pursuant to Section 18(c) of Chapter 626 of the 1995 Session Laws. After adoption of the revised general permits, all animal waste management operations holding general permits and all applicants for general permits for new or expanding animal waste management systems shall be issued the revised general permit.

p.m.

CODE NO. 97AGRIC-H001A

Requested by: Representative Tolson

EASTERN NORTH CAROLINA LIVESTOCK ARENA FUNDS

Section @. Section 94 of Chapter 561 of the 1993 Session Laws reads as rewritten:

"Sec. 94. ~~(a)~~ The seven hundred thousand dollars ($700,000) appropriated in Section 4 of Chapter 1014 of the 1985 Session Laws and allocated in Section 158(b) of Chapter 1014 of the 1985 Session Laws, as amended by Section 137(a) of Chapter 738 of the 1987 Session Laws, Section 154 of Chapter 1086 of the 1987 Session Laws, and Section 34 of Chapter 1100 of the 1987 Session Laws, to the Rocky Mount Business Development Authority for the agricultural complex located at Fountain ~~Park in Section 137(a) of Chapter 738 of the 1987 Session Laws, as amended by Section 154 of Chapter 1086 of the 1987 Session Laws and Section 34 of Chapter 1100 of the 1987 Session Laws, the sum of seven hundred thousand dollars ($700,000) may be loaned to a city which is located in two counties so as to allow that city to establish a Farmer's Market in the vicinity of the old Fenner's Warehouse No. 1 on the North Church Street corridor.~~

~~(b) This no-interest loan shall be repaid by the city to the Rocky Mount Business Development Authority (RMBDA) over the next seven years at the rate of one hundred thousand dollars ($100,000) per year or at a rate necessary to support the cash flow requirement for planning and constructing a processing facility at Fountain Park.~~

~~(c) The Rocky Mount Business Development Authority (RMBDA) shall provide a grant of all interest accrued to date, less expenses, on the seven hundred thousand dollar ($700,000) appropriation to the Rocky Mount/Edgecombe Community Development Corporation (RMECDC) for the South Washington Street Revitalization Project.~~

~~(d) The City of Rocky Mount shall organize the Rocky Mount Business Development Authority (RMBDA) such that the Authority assists in planning and construction of a vegetable and fruit processing facility in Fountain Park before January 1, 2001. This processing facility shall have the capability to, at least: cool, wash, wax, grade, sort, package, and store for transit the commercial produce of local farm families. The facility shall provide facilities for unloading harvested farm fruits and vegetables, loading surface transport with packaged fruits and vegetables, and supporting brokerage operations. RMBDA may use~~

~~the funds repaid to it under subsection (b) of this section for the purposes of this subsection.~~ Park, plus all interest accrued, shall be used for the construction of a facility to replace the Eastern North Carolina Livestock Arena. This facility shall be used for horse- and swine-breeding stock auctions, for cattle sales, and for functions of the Future Farmers of America and 4-H Clubs."

Minutes

House Appropriations Sub-Committee on

Natural and Economic Resources

May 28, 1997 - 9:15 a.m.

The House Appropriations Sub-Committee on Natural and Economic Resources met on Wednesday, May 28 1997 at 9:15 a.m. in Room 605 of the Legislative Office Building. Representative Frank Mitchell, Co-Chair, called the meeting to order at 9:17 a.m. All members were present.

After introductions, Mark Trogdon of the Fiscal Research Division reviewed the changes made by the Sub-Committee in the draft report. Please refer to the handout (first page dated May 28, 1997 stamped DRAFT).

Pg. 3	Dept. of Agriculture	Item #9	Southern Dairy Compact
Pg. 6	DEHNR	Item #16	Asst. County Ranger
Pg. 6	DEHNR	Item #19	Equipment Funds
Pg. 6	DEHNR	Item #20	Communications Equipment

It should be noted that funding for the Museum of Forestry has been deleted from the report.

Pg. 7	DEHNR	Item #25	Marine Fisheries Commission
Pg. 8	DEHNR	Item #38	Childhood Lead Exposure Control

It should be noted that funding for the National Committee for the New River Inc. and State Parks Cleanup Reserve has been deleted from the report

Pg. 17	Non-State Entities	Item #87	NC Minority Support Center
Pg. 17	Non-State Entities	Item #88	Land Loss Prevention Project
Pg. 17	Non-State Entities	Item #89	Coalition of Farm & Rural Families
Pg. 17	Non-State Entities	Item #91	Technological Dev. Authority

It should be noted that funding for the Textile Museum had been deleted from the report.

Representative Baker made a motion to adopt the draft report. By voice vote, the motion carried.

Ms. Moon and Ms. Herrera reviewed the changes made to the special provisions. Please refer to the second handout (first page starts with NER Block Grant Funds stamped DRAFT). Ms. Moon noted the changes to the block grants on page 1 and funds

for Affordable Housing Assistance on page 6. She continued by noting the additions of special provisions for the Assistance for Small Family Farms on page 18, and the Southern Dairy Compact Commission funds on page 19. She briefly reviewed the following.

Pg. 68-69	Study Desirability of Reorganizing DEHNR
Pg. 72	Forestry Aircraft Lease Receipt
Pg. 75	Marine Fisheries Commission Reform Funds
Pg. 80-81	Beaver Damage Control Funds
Pg. 85	Animal Waste Management System General Permit Revisions
Pg. 89	Superfund Program/Inactive Hazardous Sites Funds
Pg. 107	Childhood Lead Exposure Control

Representative Owens explained the special provision concerning DEHNR Law Enforcement Pay Study by OSB requested by him. A motion was made to adopt Representative Owens' special provision. By voice vote, the motion carried.

Representative Mitchell explained the special provision concerning the Grassroots Science Program requested by him. A motion was made to adopt Representative Mitchell's special provision. By voice vote, the motion carried.

Representative Mitchell explained the special provision concerning the Wilson Farmers Market/Rocky Mount Economic Development. Representative Baker made a motion to not adopt the special provision. By voice vote, the motion carried. Representative Tolson voiced his concern, and noted the needs for the facility. Representative Wilkins voiced his concern for Rocky Mount receiving $400,000 for economic development. Representative Tolson explained Representative Fitch had introduced a bill for the Farmers Market.

Representative Hall asked the appropriation ($250,000) for the Textile Museum be restored if funds are available.

Representative Baker made a motion to adopt the report. By voice vote, the motion carried.

The Sub-Committee adjourned at 9:52 a.m.

Respectfully submitted,

W. F. Mitchell
Frank Mitchell
Co-Chair

Susan Thomason
Susan Thomason
Clerk

VISITOR REGISTRATION SHEET

NER 5/28/97

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY
1. Sallie Watkins	OSBM
2. JW Reed	"
3. Johnny Gray	"
4. Don Evans	DEHNR
5. David Simmons	EDA, PA
6. Buck Latimore	NC Industrial Commission
7. Cam Coves	BPM HL
8. Sarah Butler	DEHNR
9. ANNA TEFFT	OSBM
10. Phyl Wilson	Commerce
11. P G	NCH
22. A E	NCH
23. Paula A. Wolf	Covenant W/NC's Children
24. Frank Bordeaux	NCAFA.
25. Maurice Weaver	NCDA
26. Wilda Penny	NCDA
27. Peter Daniel	NCDA
28. Patricia A. Yancey	LLPP / APPCNC
29. Adam Searing	NCHAC
30. Donna Blufal	NCCDF
31. Linda Gunn	REDC

32.	Doug Lassiter	TDA
33.		TDA
34.	Rodney Harris	NCIMEI
35.	Lori C. Harris	SHGRG
36.	Jane Smith	DEHNR
37.	Angie Harris	Commerce
38.	Leo Tilley	Commerce
39.	Anita McNeil	DEHNR
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May 28, 1997

DRAFT

House Subcommittee on Natural and Economic Resources

Housing Finance Agency

GENERAL FUND

	FY 97-98		FY 98-99
Recommended Continuation Budget	**$2,300,000**		**$2,300,000**
Legislative Changes			
Housing Finance Agency			
1 Housing Trust Fund			
Support for the Housing Trust Fund.	$5,000,000	NR	
Total Legislative Changes	**$5,000,000**	**NR**	
Total Position Changes			
Revised Budget	**$7,300,000**		**$2,300,000**

DRAFT

Agriculture

	GENERAL FUND			
	FY 97-98		FY 98-99	
Recommended Continuation Budget	**$49,480,730**		**$49,688,983**	
Legislative Changes				
Agricultural Finance Authority				
2 Reduce General Fund Appropriation	($25,000)	R	($50,000)	R
Reduce the General Fund appropriation to the Authority by utilizing the interest income earned by the Farm Reserve Loan Fund for the Authority's operating expenses.				
Agronomic Services				
3 Agronomic Advisory Services	$314,767	R	$445,117	R
Funds to increase waste disposal and water management services provided by the Agronomics Division to meet the demand for increased technical assistance from regional agronomists and section chiefs.	$217,151 7.00	NR	 8.00	
Commissioner's Office				
4 Small Farms Assistance				
Funds to provide assistance to small, family farms.	$50,000	NR		
Food and Drug Protection				
5 Environmental Protection in Pesticide Applications	$179,039	R	$179,039	R
Funds to increase compliance assistance to pesticide applicators and farmers.	$23,100 3.00	NR	 3.00	
6 Food Related Facilities Funds	$113,994	R	$113,994	R
Funds to continue support for inspection of food processing facilities, food storage warehouses, retail stores, and medicated livestock-feed manufacturing facilities.	4.00		4.00	
Maritime Museum				
7 Transfer Maritime Museum to Cultural Resources	($792,227)	R	($786,713)	R
Transfer positions, operating support, equipment, property, and other assets of the North Carolina Maritime Museum to the Department of Cultural Resources.	-17.25		-17.25	

	FY 1997-98	FY 1998-99
Requirements	$ 792,527	$ 787,013
Receipts	($ 300)	($ 300)
Appropriation	$ 792,227	$ 786,713

Plant Industry - Plant Protection

8 Bee Regulatory Support	$170,212	R	$170,212	R
Funds for expanded regulatory support to protect the North Carolina bee and honey industry from parasitic mites, bee disorders and the Africanized bee.	$45,894	NR		
	2.00		2.00	

Reserves

9 Southern Dairy Compact	$25,000	R	$25,000	R
Funds to support the Southern Dairy Compact Commission. Funds are contingent upon the passage of HB 998, SB 977, or similar legislation.				

Total Legislative Changes	**($14,215)**	R	**$96,649**	R
	$336,145	NR		
Total Position Changes	-1.25		-0.25	
Revised Budget	**$49,802,660**		**$49,785,632**	

Labor

	GENERAL FUND	
	FY 97-98	FY 98-99
Recommended Continuation Budget	**$16,068,855**	**$15,986,184**

Legislative Changes

Boiler and Pressure Vessel Bureau

10 Expand Inspection Staff with Receipt Support

Adds four boiler and pressure vessel inspection staff to conduct safety inspections in accordance with inspection intervals set by the Commissioner. Funding support will be provided with increased receipts generated by inspections conducted with these additional positions.

	FY 1997-98	FY 1998-99
Requirements	$ 211,316	$ 196,316
Receipts	(211,316)	(196,316)
Appropriation	0	0

Elevator and Amusement Device Bureau

11 Expand Inspection Staff with Receipt Support

Adds four elevator inspection staff and one administrative support position to conduct safety inspections -- at six month intervals -- of all elevators in the state. Funding support will be provided with increased receipts generated by these positions assisting in the increased frequency of elevator inspections from an average of every 10 months to every 6 months.

	FY 1997-98	FY 1998-99
Requirements	$ 248,061	$ 228,361
Receipts	(248,061)	(228,361)
Appropriation	0	0

Information Office

12 1-800-LABOR-NC Operating Support	$34,825	R	$34,825	R
Provides an additional position and operating support to answer incoming calls on the Department's toll-free telephone number.	$6,000	NR		
	1.00		1.00	

OSHNC Division

13 Transfer Enforcement Positions to Federal Support	($192,546)	R	($192,546)	R
Shifts six OSH Enforcement positions (3 full-time equivalents) and operating support from 100% state funding to 50% federal and 50% state funded support.	-3.00		-3.00	

Total Legislative Changes	**($157,721)**	**R**	**($157,721)**	**R**
	$6,000	**NR**		
Total Position Changes	-2.00		-2.00	
Revised Budget	**$15,917,134**		**$15,828,463**	

Environment, Health, and Natural Resources

GENERAL FUND

	FY 97-98		FY 98-99	
Recommended Continuation Budget	**$253,269,888**		**$252,502,338**	
Legislative Changes				
(2.00) Environmental Education				
14 Environmental Education Grant Fund				
Funds to provide grants to schools, community organizations and environmental education centers to develop environmental education libraries and to promote environmental education activities.	$200,000	NR		
(2.00) Forest Resources				
15 Increase Receipts	($120,000)	R	($120,000)	R
Increase receipts collected from counties. Counties share in the cost of forestry operations with a match based on the tax base of the county.				
16 Assistant County Ranger	$19,028	R	$19,028	R
Funds for an Assistant County Ranger in District 10.	$21,900	NR		
	1.00		1.00	
17 Operation of Amphibious Water Scooping Tanker	$706,950	R	$706,950	R
	$81,750	NR		
Operating funds for personnel, equipment, maintenance, and parts associated with the purchase of an amphibious water scooping tanker aircraft for fire control statewide.	4.00		4.00	
18 District 12 Helicopter Funds				
Funds to cover the costs associated with preparing a federal surplus helicopter for fire control in District 12.	$282,560	NR		
19 Equipment Funds	($500,000)	R	($500,000)	R
	$500,000	NR		
Reduce recurring appropriation for forestry field operations equipment and provide nonrecurring funds for FY 1997-98.				
20 Communications Equipment	($200,000)	R	($200,000)	R
	$200,000	NR		
Reduce recurring appropriation for communications equipment and provide nonrecurring funds for FY 1997-98.				
21 Rural Community Fire Protection Program	$100,000	R	$100,000	R
Funds to provide both fire training and assistance with the purchase/loan of fire equipment and supplies for rural fire departments.	1.00		1.00	

(2.00) Marine Fisheries

22 Moratorium Steering Committee	($25,000)	R	($25,000)	R
Eliminate funding for the Fisheries Moratorium Steering Committee, which submitted its final report to the Joint Legislative Commission on Seafood and Aquaculture in October 1996.				
23 Reduce Marine Fisheries Patrol Equipment	($187,321)	R	($187,321)	R
Reduce equipment budget to reflect reduced equipment needs associated with the Marine Fisheries law enforcement expansion request funded in 1995, in accordance with the five year fiscal estimate submitted by the division.				
24 Operating Reserve for Patrol Vessel			$97,436	R
Fund vessel operating reserve for the 1998-99 fiscal year. The reserve is for a patrol vessel funded with a 1996-97 capital improvement appropriation and was omitted from the continuation budget by error.				
25 Marine Fisheries Commission	$230,475	R	$230,475	R
Funds to establish standing advisory committees and permanent staff for the Marine Fisheries Commission. Funds contingent upon passage of HB 1097.	$17,000 2.00	NR	 2.00	
26 Information Technology and Data Management Funds	$155,000	R	$155,000	R
Funds to establish advanced computer based technologies to modernize and consolidate existing computerized information management, and expand computer based data management and analysis capabilities.	$500,000 2.00	NR	 2.00	

(2.00) Museum of Natural Science

27 Grassroots Science Museums	$100,000	R	$100,000	R
Funds to add two new museums to the Grassroots Science Program: Museum of Coastal Carolina Iredell County Children's Museum				

(2.00) Parks and Recreation

28 Environmental Education Learning Experience				
Funds to provide supplies and materials for Environmental Education Learning Experience (EELE) programs at state parks.	$30,000	NR		

(2.00) Soil and Water Conservation

29 Area 3 Coordinator	$43,600	R	$43,600	R
Funds to support a new position and equipment needs of a regional coordinator for Area 3 of the State Soil and Water Conservation districts.	$3,000 1.00	NR	 1.00	

30 Agriculture Cost Share for Animal Waste Management

Additional funds for the Agriculture Cost Share Program for Nonpoint Source Pollution Control to assist existing farming operations in obtaining approved animal waste management plans.

$2,000,000 NR

31 Agriculture Cost Share County Technical Assistance

Additional funds to reimburse counties up to 50% of the costs of providing technical assistance in the planning, design and installation of agricultural BMPs to improve water quality.

$300,000 NR

32 Soil and Water District Travel Funds

Funds for local Soil and Water Conservation Districts for travel and per diem expenses of district supervisors.

$150,000 NR

(3.00) Air Quality

33 Increase Receipts

Increase the budgeted amount of program receipts and reduce the General Fund appropriation by an equal amount.

($200,000) R ($200,000) R

(3.00) Land Resources

34 Dam Safety Inspection and Assistance

Funds to establish additional positions to increase the number of dam inspections and to provide technical assistance to owners in the areas of design and construction planning, maintenance, repairs, and emergency action plans.

$255,336 R $255,336 R
$19,000 NR
5.00 5.0

(3.00) Water Quality

35 Wastewater Treatment System Operator Training

Funds to provide training, certification and continuing education courses for wastewater treatment system operators for one year.

$474,795 NR
5.00

36 Basinwide Data Management System Development

Funds for a program delivery initiative to focus on consolidating all existing databases and facilitating access to environmental programs and data. Support staff and equipment needed to maintain the system will be phased in.

$260,846 R $375,153 R
1.00 3.00

(3.00) Water Resources

37 Regional Groundwater Management

Funds for monitoring in the Black Creek and Upper Cape Fear aquifers and for maintenance of monitoring wells in the area.

$150,000 NR

(4.00) Environmental Health

38 Childhood Lead Exposure Control

Funds to expand the state's Childhood Lead Poisoning Prevention Program to emphasize compliance with maintenance standards to minimize lead hazards. Funds contingent upon the passage of HB 1007, SB 806, or identical legislation.

$210,879 R $210,879 R
$26,200 NR
3.00 3.0

39 Assistance to Local On-Site Wastewater Programs	$226,212	R	$226,212 R
	$23,800	NR	
Funds to provide additional training, technical assistance and regulatory oversight to local programs in the areas of plan review, septic tank design, manufacture, installation and performance.	4.00		4.00
40 Support for Local Environmental Health Programs	$236,935	R	$236,935 R
Funds to provide training, continuing education and technical assistance to local environmental health specialists performing food, lodging and institution inspections, and other regulatory activities to ensure the sanitation and safety of swimming pools, spas and tatoo artists.	$13,075	NR	
	4.00		4.00
41 Food Sanitation Training Funds			
Funds to provide training and continuing education to persons who conduct food and lodging inspections for county health departments.	$100,000	NR	
(4.00) Epidemiology			
42 Alcohol Chemical Testing Certification Program	($200,000)	R	($200,000) R
Reduce General Fund support for the alcohol chemical testing training and certification program to more accurately reflect actual expenditures.			
43 Rabies Detection and Prevention Program	$50,000	R	$50,000 R
Funds to provide additional professional consultation and education services to help prevent the spread of rabies.	1.00		1.00
(4.00) Health Promotion			
44 Heart Disease & Stroke Prevention Awareness	$170,500	R	$170,500 R
Funds to develop and maintain a database of existing cardiovascular disease related services and to conduct a statewide media campaign to raise awareness about cardiovascular disease, as recommended by the Heart Disease and Stroke Prevention Task Force established in 1995.	$29,500	NR	
45 Cancer Control Plan Implementation Funds	$250,000	R	$250,000 R
Funds to begin implementation of the North Carolina Cancer Control Plan prepared by the Advisory Committee on Cancer Coordination and Control.	$100,000	NR	
46 State Games of North Carolina			
Funds for the Governor's Council on Physical Fitness to support the State Games.	$150,000	NR	
(4.00) Laboratory Services			
47 Rabies Laboratory Analysis Funds	$79,630	R	$79,630 R
	$29,150	NR	
Funds for additional personnel, supplies and equipment to enhance rabies testing performed by the State public health lab.	2.00		2.00

(4.00) Maternal and Child Health

48 Maternal Outreach Worker Program Funds to expand the maternal outreach worker program by providing funding for 22 additional home visitors employed by local service providers.	$600,000 1.00	R	$600,000 1.00	R
49 Children's Vision Screening Program Funds to support a statewide training and certification program for school-based vision screeners. The department will contract with Prevent Blindness, Inc. to implement the program.	$419,000	NR		
50 Cochlear Implants Funds for grant to UNC Board of Governors for the Carolina Communicative Disorders Program at the School of Medicine at UNC-Chapel Hill to provide cochlear implants and other communication devices for hearing impaired children.	$230,000	NR		
51 UNC Craniofacial Center Funds for grant to UNC Board of Governors for the UNC Craniofacial Center at the School of Dentistry at UNC-Chapel Hill to provide diagnostic and treatment services for children with craniofacial anomalies.	$343,000	NR		
52 Non-Medicaid Maternity Care Coordination Funds to provide case management services to women who do not meet Medicaid eligibility requirements. This item restores a reduction taken in 1996.	$170,900	R	$170,900	R

(5.00) Reserves and Special Funds

53 Water Conservation and Infrastructure District Nonrecurring funds appropriated for the District by the 1995 General Assembly were not eliminated from the 1997-99 continuation budget in error.	($500,000)	R	($500,000)	R
54 Maintenance of Existing Water Quality Programs Reserve to maintain the existing level of staff in the Water Quality Section to continue water quality programs and activities at the current level of service for one year.	$1,000,000	NR		
55 Healthy Start Foundation Funds to provide statewide planning, promotion, and coordination for the First Step Campaign and to support other programs and activities aimed at reducing infant mortality.	$650,000	NR		
56 Core Sound Use Mapping Funds to develop a human use map and user coordination plan for Core Sound.	$100,000	NR		

(6.00) Department Wide

57 Salary/Span of Control/ Operating Reductions Represents the Department's allocated share of this overall reduction:	($2,300,453) -33.94	R	($2,300,453) -33.94	R

Office of Controller	
Salary and fringes for 1.00 FTE	($27,541)
General Services Office	
Salary and fringes for 1.00 FTE	($25,561)
Information Technology Services	
Salary and fringes for 1.00 FTE	($39,669)
Applications Analyst Prog. Specialist (.19 FTE Vacant)	($10,782)
Personnel/Human Resources	
Salary and fringes for 1.00 FTE	($47,026)
Public Health Communication	
Salary and fringes for 1.00 FTE	($45,380)
Local Health Services	
Salary and fringes for 1.00 FTE	($31,602)
Environmental Health	
Salary and fringes for 1.00 FTE	($24,286)
Dental Health	
Salary and fringes for 1.00 FTE	($97,175)
State Center for Health Statistics	
Salary and fringes for 1.00 FTE	($26,682)
Maternal and Child Health	
Salary and fringes for 7.00 FTEs	($364,633)
Cystic Fibrosis Purchase of Care funds	($148,699)
Nutrition Program Supervisor (.30 FTE Vacant)	($ 11,329)
Health Promotion	
Salary and fringes for 3.00 FTEs	($138,092)
Marine Fisheries	
Salary Reserve	($13,861)
Oyster Rehabilitation operating funds	($133,655)
Soil and Water Conservation	
Equipment, supplies & travel funds	($56,875)
Forest Resources	
Communications Equipment	($140,000)
Office of Environmental Education	
Project Tomorrow grants and contracts	($25,000)
Aquariums	
Supplies and materials	($41,777)

Museum of Natural Science	
Temporary Wages	($50,000)
Natural Science Education Curator (1.00 FTE Vacant)	($56,524)
Parks and Recreation	
Increase receipts	($140,000)
North Carolina Zoo	
Salary and fringes for 3.55 FTEs	($85,000)
Air Quality	
Salary and fringes for 1.00 FTE	($19,105)
Water Quality	
Salary and fringes for 3.00 FTEs	($105,995)
Salary Reserve	($69,625)
Wetlands Restoration operating funds	($14,449)
Coastal Management	
Salary and fringes for 1.00 FTE	($25,068)
Land Resources	
Salary and fringes for 1.00 FTE	($43,279)
Operating support	($12,124)
Water Resources	
Salary and fringes for 1.00 FTE	($29,971)
Pollution Prevention & Environmental Assistance	
Salary and fringes for 1.00 FTE	($19,800)
Operating support	($ 2,332)
Radiation Protection	
Eliminate receipt supported Deputy Division Director position, and shift portion of funding for Division Director position from General Funds to receipts. (.90 FTE)	($80,900)
Contracts	($25,094)
Waste Management	
Salary and fringes for 1.00 FTE	($58,566)
Operating support	($12,996)
TOTAL REDUCTIONS	($2,300,453)

Total Legislative Changes	**($366,483)**	R	**($154,740)**	R
	$8,143,730	NR		
Total Position Changes	3.06		0.06	
Revised Budget	**$261,047,135**		**$252,347,598**	

Commerce

	GENERAL FUND			
	FY 97-98		FY 98-99	
Recommended Continuation Budget	$37,221,648		$37,240,885	
Legislative Changes				
Administrative Services				
58 Budget Indirect Cost Receipts	($52,000)	R	($52,000)	R
Increase the budgeted amount of indirect costs receipts and reduce General Fund appropriation by an equal amount.				
Business and Industry Division				
59 Regional Office Staff Support	$22,100	R	$26,000	R
Provides an administrative support position for the Piedmont Triad Regional Office. The effective date of the position is September 1, 1997.	$5,900	NR		
	1.00		1.00	
60 Marketing Missions and Trade Shows	$80,000	R	$80,000	R
Increases funding support for the Division's participation at industry trade shows and for conducting national marketing missions.				
61 Fund Industrial Recruitment Competitive Fund				
Provides nonrecurring funding support for the Industrial Recruitment Competitive Fund.	$1,000,000	NR		
Commission on Workforce Preparedness				
62 Eliminate General Fund Support	($103,984)	R	($104,144)	R
Eliminates General Fund support to the Commission on Workforce Preparedness. This reduction abolishes the position of Executive Director and transfers to full receipt support an Administrative Assistant position that is partially supported with General Funds.	-1.15		-1.15	
Department Wide				
63 Salary Reductions/Span of Control	($672,485)	R	($672,485)	R
Represents the Department's allocated share of this overall reduction:	-17.00		-17.00	
Administrative Services Salary and fringes for 1.00 FTE ($99,038)				
Economic Development Program Salary and fringes for 2.00 FTEs ($71,904)				
Business and Industry Division Salary and fringes for 1.00 FTE ($76,023)				

International Trade Division	
Salary and fringes for 2.00 FTEs	($77,862)
Division of Energy	
Salary and fringes for 1.00 FTE	($42,029)
Division of Community Assistance	
Salary and fringes for 1.00 FTE	($54,264)
Division of Travel and Tourism	
Salary and fringes for 1.00 FTE	($24,065)
Industrial Commission	
Salary and fringes for 8.00 FTEs	($227,300)
TOTAL REDUCTIONS	($672,485)

Economic Development Program

64 Reduce Support for Data Processing & Subscriptions Reduce funding support for data processing services, subscriptions, and membership dues.	($29,000)	R	($29,000)	R
65 Enhance EDIN System Funds to enhance the Economic Development Information Network System.	$50,000	NR		

Executive Aircraft

66 Reduce Repair Funds Reduce funding support for aircraft repair.	($188,000)	R	($188,000)	R
67 Additional Funds for Lease Additional funds for aircraft lease.	$350,000	R	$350,000	R

Film Office

68 Reduce Travel Reduce budget for board and nonemployee transportation.	($25,000)	R	($25,000)	R

Global TransPark Marketing

69 Reduce Support for Global TransPark Marketing Reduce General Fund transfer from the Department of Commerce to the Global TransPark Authority in the Department of Transportation for marketing the Global TransPark.	($150,000)	R	($150,000)	R

Industrial Commission

70 Budget Hearing Cost Receipts Increase the budgeted amount of the Commission's Hearing Cost receipts and reduce General Fund appropriations by an equal amount.	($202,000)	R	($202,000)	R

71 Case Management System	$638,571	R	$638,571	R
Provides funds for operating and maintenance costs, staff support to maintain hardware and software, and to develop system applications.	$17,700 3.00	NR	 3.00	
72 Temporary Positions				
Provides nonrecurring funds to support temporary positions to assist with the Commission's backlog of claims, hearings, and appeals.	$100,000	NR		
Industrial Finance Center				
73 Fund Utility Account (Industrial Development Fund)				
Provides nonrecurring funding support for economic development related water and sewer infrastructure projects in tier one enterprise counties.	$500,000	NR		
74 Increase Operating Support	$50,000	R	$50,000	R
Provides additional operating support for the Industrial Finance Center.	$20,000	NR		
International Trade				
75 International Trade Specialists	$180,736	R	$196,044	R
Increase the number of international trade specialists to enhance the state's marketability to potential customers in "Big Emerging Markets" (BEM). The effective date of these positions is September 1, 1997.	$12,000 2.00	NR	 2.00	
76 Foreign Trade Shows	$200,000	R	$200,000	R
Increase recurring funding for trade shows and missions to expose small and medium sized companies to the international marketplace.				
77 Global Offices	$300,000	R	$300,000	R
Funds to contract with representatives to expand the division's foreign offices into 4 new and emerging markets in and around South Africa, the United Kingdom, South America, and the Middle East.				
NC Alliance for Competitive Technologies				
78 Recurring Funding Support to Continue Operations	$375,000	R	$375,000	R
Provides recurring state funding support to replace three-year federal grant and matching nonrecurring state funding support that will expire at the end of fiscal year 1996-97. Funding will allow the North Carolina Alliance for Competitive Technologies to continue operation as a state agency.	3.00		3.00	
Reserves and Transfers				
79 Reduce Support for the Regional Commissions	($405,000)	R	($405,000)	R
Reduces grant-in-aid support for the seven Regional Economic Development Commissions from $4.68 million to $4.275 million.				

80 Special Olympics 1999 World Summer Games	$500,000	NR		
Nonrecurring funds to support the Special Olympics 1999 World Summer Games.				
81 State Government Competition Commission	$5,600	R	$5,600	R
Funds to be transferred to the Office of State Budget and Management to support the North Carolina Government Competition Commission.				
Travel and Tourism				
82 Budget Additional Receipts	($12,000)	R	($12,000)	R
Increase the amount of budgeted receipts and reduce General Fund appropriation by an equal amount.				
83 Advertising Funds				
Expand current promotional advertising funds and associated expenses to promote North Carolina as a travel destination.	$1,000,000	NR		
84 International Marketing				
Funds to continue and expand the promotion of North Carolina as a travel destination in the international arena.	$1,000,000	NR		
85 1-800-VISIT-NC				
Additional funds for the tourism hotline operated at Women's Prison.	$250,000	NR		
86 Rural Tourism Development Funds				
Funds to support the Rural Tourism Development Grants program.	$100,000	NR		
Total Legislative Changes	**$362,538**	R	**$381,586**	R
	$4,555,600	NR		
Total Position Changes	-9.15		-9.15	
Revised Budget	**$42,139,786**		**$37,622,471**	

State Aid to Non-State Entities

	GENERAL FUND			
	FY 97-98		FY 98-99	
Recommended Continuation Budget	**$1,475,000**		**$1,475,000**	
Legislative Changes				
Grants-in-Aid				
87 North Carolina Minority Support Center	($275,000)	R	($275,000)	R
Eliminate Governor's recommended recurring appropriation and provide nonrecurring funds for FY 1997-98.	$375,000	NR		
88 Land Loss Prevention Project	($275,000)	R	($275,000)	R
Eliminate Governor's recommended recurring appropriation and provide nonrecurring funds for FY 1997-98.	$350,000	NR		
89 Coalition of Farm and Rural Families	($145,000)	R	($145,000)	R
Eliminate Governor's recommended recurring appropriation and provide nonrecurring funds for FY 1997-98.	$250,000	NR		
90 Institute of Minority Economic Development	$20,000	R	$20,000	R
Additional recurring funds to foster economic development within the state through policy analysis, information and technical assistance, resource expansion, and support of community-based initiatives. Total state funding for the Institute will be $800,000 for each fiscal year of the 1997-99 biennium.				
91 Technological Development Authority	$3,000,000	NR		
Grant-in-aid to the N.C. Technological Development Authority, Inc. for entrepreneurial support and infrastructure including creating new incubators, enhancing existing incubators, developing capital formation initiatives, supporting research commercialization programs and matching federal grant and loan funds.				
92 World Trade Center North Carolina	$300,000	NR		
Grant-in-Aid to the World Trade Center North Carolina to support international trade education programs to small and medium sized businesses.				
93 Center for Community Self-Help	$3,000,000	NR		
Provide funds to further a statewide program of lending for home ownership.				
94 Yadkin/Pee Dee Lakes Project	$100,000	NR		
Funds to the Yadkin/Pee Dee Lakes Project, Inc. to promote tourism and economic development in the area.				

House Subcommittee on Natural and Economic Resources

95 Transfer N.C. Community Development Initiative Transfer funding for the North Carolina Community Development Initiative, Inc. from the Rural Economic Development Center to the Department of Commerce.	$1,800,000	R	$1,800,000	
96 N.C. Community Development Initiatve Additional funds for the North Carolina Community Development Initiative to support operating and program activity grants to mature community development corporations.	$200,000	R	$200,000	R
Total Legislative Changes	**$1,325,000**	**R**	**$1,325,000**	**R**
	$7,375,000	**NR**		
Total Position Changes				
Revised Budget	**$10,175,000**		**$2,800,000**	

NC Biotechnology Center

GENERAL FUND

	FY 97-98		FY 98-99
Recommended Continuation Budget	**$7,664,396**		**$7,664,396**
Legislative Changes			
NC Biotechnology Center			
97 Historically Minority Universities			
Additional nonrecurring funding to support biotechnology programs at the State's six Historically Minority Universities (Elizabeth City State University, Fayetteville State University, NC A&T State University, NC Central University, University of North Carolina-Pembroke, and Winston-Salem State University).	$1,000,000	NR	
98 Economic Development Investment Fund			
Nonrecurring funding increase for the N.C. Biotechnology Center's Economic Development Investment Fund. Funds provided are to be used for loans or equity investment to biotechnology companies and to biomedical and other bioscience related companies.	$1,000,000	NR	
Total Legislative Changes	**$2,000,000**	**NR**	
Total Position Changes			
Revised Budget	**$9,664,396**		**$7,664,396**

Rural Economic Development Center

GENERAL FUND

	FY 97-98		FY 98-99	
Recommended Continuation Budget	**$5,870,000**		**$5,870,000**	
Legislative Changes				
N.C. Association of CDCs				
99 N.C. Association of CDCs				
Additional funding for the North Carolina Association of Community Development Corporations, Inc. to provide training and technical assistance to community development corporations statewide.	$50,000	NR		
N.C. Community Development Initiative				
100 Transfer N.C. Community Development Initiative	($1,800,000)	R	($1,800,000)	R
Transfer funding for the North Carolina Community Development Initiative, Inc. from the Rural Economic Development Center to the Department of Commerce.				
Rural Economic Development Center				
101 Supplemental Funding Program				
Additional funds to support the Supplemental Funding Program for economic development in rural communities.	$2,650,000	NR		
Total Legislative Changes	**($1,800,000)**	R	**($1,800,000)**	R
	$2,700,000	NR		
Total Position Changes				
Revised Budget	**$6,770,000**		**$4,070,000**	

May 28, 1997

DRAFT

CODE NO. 97HLTH-H012

Requested by: Representatives Mitchell, Baker, Carpenter

NER BLOCK GRANT FUNDS

Section 5.1. (a) Appropriations from federal block grant funds are made for the fiscal year ending June 30, 1998, according to the following schedule:

COMMUNITY DEVELOPMENT BLOCK GRANT	
01. State Administration	$ 1,000,000
02. Urgent Needs and Contingency	2,177,500
03. Community Empowerment	2,000,000
04. Economic Development	8,710,000
05. Community Revitalization	29,000,000
06. State Technical Assistance	450,000
07. Housing Development	1,662,500
TOTAL COMMUNITY DEVELOPMENT BLOCK GRANT - 1998 Program Year	$ 45,000,000
MATERNAL AND CHILD HEALTH BLOCK GRANT	
01. Healthy Mother/Healthy Children Block Grants to Local Health Departments	$ 9,838,074
02. High Risk Maternity Clinic Services, Perinatal Education and Training, Childhood Injury Prevention, Public Information and Education, and Technical Assistance to Local Health Departments	1,722,869
03. Services to Children With Special Health Care Needs	4,954,691
TOTAL MATERNAL AND CHILD HEALTH BLOCK GRANT	$ 16,515,634
PREVENTIVE HEALTH SERVICES BLOCK GRANT	
01. Emergency Medical Services	$ 213,128

02.	Hypertension Programs	711,813
03.	Statewide Health Promotion Programs	2,777,924
04.	Dental Health for Fluoridation of Water Supplies	224,170
05.	Rape Prevention and Rape Crisis Programs	187,110
06.	Rape Prevention and Rape Education	935,552
07.	AIDS/HIV Education, Counseling, and Testing	66,939
08.	Office of Minority Health and Minority Health Council	186,478
09.	Administrative and Indirect Cost	217,762
TOTAL PREVENTIVE HEALTH SERVICES BLOCK GRANT		$ 5,520,876

(b) Decreases in Federal Fund Availability

Decreases in federal fund availability shall be allocated as follows:

(1) For the Community Development Block Grants -- If federal funds are reduced below the amounts specified above after the effective date of this act, then every program in each of these federal block grants shall be reduced by the same percentage as the reduction in federal funds.

(2) For the Maternal and Child Health and Preventive Health Services federal block grant -- If federal funds are reduced less than ten percent (10%) below the amounts specified above after the effective date of this act, then every program in the Maternal and Child Health and in the Preventive Health Services block grants shall be reduced by the same percentage as the reduction in federal funds. If federal funds are reduced by ten percent (10%) or more below the amounts specified above after the effective date of this act, then for the Maternal and Child Health and the Preventive Health Services block grants the Department of Environment, Health, and Natural Resources shall allocate the decrease in funds after considering the effectiveness of the current level of services.

(c) Increases in Federal Fund Availability

Any block grant funds appropriated by the Congress of the United States in addition to the funds specified in this act shall be expended as follows:

(1) For the Community Development Block Grant -- Each program category under the Community Development Block Grant shall be increased by the same percentage as the increase in federal funds.

(2) For the Maternal and Child Health Block Grant -- Thirty percent (30%) of these additional funds shall be allocated to services for children with special health care needs and seventy percent (70%) shall be allocated to local health departments to assist in the reduction of infant mortality.

(3) For the Preventive Health Block Grants -- These additional funds may be budgeted by the appropriate department, with the approval of the Office of State Budget and Management, after considering the effectiveness of the current level of services and the effectiveness of services to be funded by the increase, provided the resultant increases are in accordance with federal block grant requirements and are within the scope of the block grant plan approved by the General Assembly.

(d) Changes to budgeted allocations to the Maternal and Child Health and the Preventive Health Services block grants due to increases or decreases in federal funds shall be reported to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division within 30 days of the allocation. All other increases shall be reported to the Joint Legislative Commission on Governmental Operations and to the Director of the Fiscal Research Division.

(e) Limitations on Community Development Block Grant Funds

Of the funds appropriated in this section for the Community Development Block Grant, the following shall be allocated in each category for each program year: up to one million dollars ($1,000,000) may be used for State administration; up to two million one hundred seventy-seven thousand five hundred dollars ($2,177,500) may be used for Urgent Needs and Contingency; up to two million dollars ($2,000,000) may be used for Community Empowerment; up to eight million seven hundred ten thousand dollars ($8,710,000) may be used for Economic Development; not less than twenty-nine million dollars ($29,000,000) shall be used for Community Revitalization; up to four hundred fifty thousand dollars ($450,000) may be used for State Technical Assistance; up to one million six hundred sixty-two thousand five hundred ($1,662,500) may be used for Housing Development. If federal block grant funds are reduced or increased by the Congress of the United States after the effective date of this act, then these reductions or increases shall be allocated in accordance with subsection (b) or (c) of this section, as applicable. If funds are available from program income, deobligated funds, or urgent needs and contingency, then the Department of Commerce shall use up to five hundred thousand dollars ($500,000) for an Infrastructure Demonstration Project

that will focus on innovative approaches to straight piping and pit privy problems.

(f) Limitations on Preventive Health Service Block Grant Funds

Twenty-five percent (25%) of funds allocated for Rape Prevention and Rape Education shall be allocated as grants to nonprofit organizations to provide rape prevention and education programs targeted for middle, junior high, and high school students. Any rape crisis center or other nonprofit organization that receives funds under this section to provide rape education and rape prevention programs to schools shall give priority to schools with an abstinence-based sex education curriculum.

CODE NO. 97GOV-H001A

Requested by: Representatives Mitchell, Baker, Carpenter, H. Hunter

HOME PROGRAM MATCHING FUNDS

Section *. (a) Funds appropriated in this act to the Housing Finance Agency for the federal HOME Program shall be used to match federal funds appropriated for the HOME Program. In allocating State funds appropriated to match federal HOME Program funds, the Agency shall give priority to HOME Program projects, as follows:

(1) First priority to projects that are located in counties designated as Tier One, Tier Two, or Tier Three Enterprise Counties under G.S. 105-129.3; and

(2) Second priority to projects that benefit persons and families whose incomes are fifty percent (50%) or less of the median family income for the local area, with adjustments for family size, according to the latest figures available from the U.S. Department of Housing and Urban Development.

The Housing Finance Agency shall report to the Joint Legislative Commission on Governmental Operations by April 1 of each year concerning the status of the HOME Program and shall include in the report information on priorities met, types of activities funded, and types of activities not funded.

(b) If the United States Congress changes the HOME Program such that matching funds are not required for a given program year, then the Agency shall not spend the matching funds appropriated under this act for that program year.

(c) Funds appropriated in this act to match federal HOME Program funds shall not revert to the General Fund on June 30, 1998, or on June 30, 1999.

CODE NO. 97GOV-H003A

Requested by: Representatives Mitchell, Baker, Carpenter, H. Hunter

AFFORDABLE HOUSING ASSISTANCE FUNDS

Sec. @. (a) Of the funds appropriated in this act to the North Carolina Housing Finance Agency for the Housing Trust Fund, not more than five hundred thousand dollars ($500,000) for the 1997-98 fiscal year may be allocated by the Housing Finance Agency to community-based nonprofit low-income housing development and technical assistance organizations. Funds allocated shall be used to support the development of housing affordable to persons of low income, for direct grants to new and existing housing development and technical assistance organizations to support operations and project activities, and for administrative and other operational purposes that expand the capacity of these organizations to provide affordable housing and associated comprehensive services and programs.

(b) The North Carolina Housing Finance Agency shall adopt rules governing the eligibility of applicants, application procedures, eligibility requirements, criteria and standards for awarding grants and performance standards for continued funding, and shall make available to the general public and interested parties adequate opportunity for input into the rule-making process.

(c) The North Carolina Housing Finance Agency shall report every six months to the Joint Legislative Commission on Governmental Operations on the use of these funds allocated pursuant to this section. The Agency shall not use these funds for its own administrative purposes.

(d) For purposes of this section, the term "community-based nonprofit low-income housing development and technical assistance organization" means a nonprofit corporation chartered pursuant to section 501(c)(3) of the Internal Revenue Code, which has as a major purpose the development and improvement of housing that is affordable to persons of low income; serves the community in which it is located; is neither controlled by, nor under the direction of, individuals or entities seeking to derive profit or gain from the organization; and maintains accountability to low-income community residents through board membership or other formal processes for input into the organization's housing decision-making process. For purposes of this section, the term "low-income" refers to persons and families whose incomes do not

exceed eighty percent (80%) of the area median family income, with adjustments for family size, according to the latest figures available for the United States Department of Housing and Urban Development.

CODE NO. 97ENV-H021C

Requested by: Representative Owens

NATURAL AND ECONOMIC RESOURCES/RECEIPT SUPPORTED POSITIONS

Section @. (a) The Department of Agriculture, the Department of Commerce, the Department of Environment, Health, and Natural Resources, and the Department of Labor shall by October 15, 1997, and semi-annually thereafter, report to the Joint Legislative Commission on Governmental Operations, the Appropriations Subcommittees on Natural and Economic Resources in both the House of Representatives and the Senate, and the Fiscal Research Division regarding the creation of new receipt-supported positions created within each Department. The report shall include the following information for each new position created with receipts:

(1) The Commission, Division, program or office in which the position is created.
(2) The position title or classification.
(3) The salary.
(4) The funding source.
(5) An explanation of the position responsibilities and the justification for the position.
(6) The designation of the position as full-time, part-time, and if time-limited, the length of time that the position is anticipated to be required.

(b) The Department of Agriculture, the Department of Commerce, the Department of Environment, Health, and Natural Resources, and the Department of Labor shall abolish any receipt supported position upon approval of the Office of State Budget and Management if: (i) the position is vacant for more than one calendar year, and (ii) receipts are insufficient to adequately fund the positions.

The Department of Agriculture, the Department of Commerce, the Department of Environment, Health, and Natural Resources, and the Department of Labor shall by October 15, 1997, and semi-annually thereafter, report to the Joint Legislative Commission on Governmental Operations, the Appropriations Subcommittees on Natural and Economic Resources in both the House of Representatives and the Senate, and the Fiscal Research Division regarding any receipt-supported positions that are abolished and shall justify any position that is vacant for a calendar year or longer and is not abolished.

CODE NO. 97AGRIC-H003

Requested by: Representatives Mitchell, Baker, and Carpenter

MOUNTAIN STATE FAIR TO BECOME ENTERPRISE FUND

Section @. The activities of the Western North Carolina Agricultural Center and the Mountain State Fair shall be combined and operated in an enterprise fund. Current appropriated support to the Western North Carolina Agricultural Center shall be transferred on a quarterly basis with the anticipation that appropriated support will only be necessary until the combined operation develops sufficient revenue and operating reserves to become totally self-supporting.

CODE NO. 97AGRIC-H004

Requested by: Representatives Mitchell, Baker, and Carpenter

TIMBER SALES FOR MAINTENANCE OF STATE FARMS FORESTLAND

Section @. The Department of Agriculture is authorized to expend up to one hundred thousand dollars ($100,000) each year for forestry management from funds received from the sale of timber that are deposited with the State Treasurer in a capital improvement account pursuant to G.S. 146-30. The Director of the Budget is authorized to transfer up to one hundred thousand dollars ($100,000) from the capital improvement account to the Reserve for Forestry Management in the Department of Agriculture's operating budget and to prepare succeeding continuation budget documents to include one hundred thousand dollars ($100,000) in the Reserve for Forestry Management.

CODE NO. 97AGRIC-H005A

Requested by: Representatives Mitchell, Baker, and Carpenter

TRANSFER MARITIME MUSEUM TO CULTURAL RESOURCES

Section @. The North Carolina Maritime Museum, all funds appropriated by the General Assembly for the museum, and all resources and personnel provided for the museum by the Department of Agriculture are transferred from the Department of Agriculture to the Department of Cultural Resources. This transfer shall have all of the elements of a Type I transfer, as that term is defined in G.S. 143A-6(a). Where a conflict arises in connection with the transfer, the transfer shall be resolved by the Governor, and the decision of the Governor shall be final.

CODE NO. 97AGRIC-H006

Requested by: Representatives Mitchell, Baker, and Carpenter

WESTERN NORTH CAROLINA DEVELOPMENT ASSOCIATION

Section @. The Western North Carolina Development Association shall:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1996-97 program activities, objectives, and accomplishments;
   b. State fiscal year 1996-97 itemized expenditures and fund sources;
   c. State fiscal year 1997-98 planned activities, objectives, and accomplishments, including actual results through December 31, 1997; and
   d. State fiscal year 1997-98 estimated itemized expenditures and fund sources, including actual expenditures and fund sources through December 31, 1997.

(2) By January 15, 1999, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1997-98 program activities, objectives, and accomplishments;
   b. State fiscal year 1997-98 itemized expenditures and fund sources;
   c. State fiscal year 1998-99 planned activities, objectives, and accomplishments, including actual results through December 31, 1998; and
   d. State fiscal year 1998-99 estimated itemized expenditures and fund sources, including actual expenditures and fund sources through December 31, 1998.

(3) Provide a copy of the Association's annual audited financial statement to the Fiscal Research Division within 30 days of issuance of the statement.

CODE NO. 97AGRIC-H007

Requested by: Representatives Mitchell, Baker, and Carpenter

INCREASE GRAPE GROWERS FUNDS

Section @. G.S. 105-113.81A reads as rewritten:

"**§ 105-113.81A. Distribution of part of wine taxes attributable to North Carolina wine.**

The Secretary shall on a quarterly basis credit to the Department of Agriculture ninety-four percent (94%) of the net proceeds of the excise tax collected on unfortified wine bottled in North Carolina during the previous quarter and ninety-five percent (95%) of the net proceeds of the excise tax collected on fortified wine bottled in North Carolina during the previous quarter, ~~provided~~ except that the amount credited to the Department of Agriculture under this section shall not exceed ~~ninety~~ one hundred fifty thousand dollars ~~($90,000)~~ ($150,000) per fiscal year. The Department of Agriculture shall allocate the funds received under this section to the North Carolina Grape Growers Council to be used to promote the North Carolina grape and wine industry and to contract for research and development services to improve viticultural and enological practices in North Carolina. Any funds credited to the Department of Agriculture under this section that are not expended by June 30 of any fiscal year may not revert to the General Fund, but shall remain available to the Department for the uses set forth in this section."

CODE NO. 97AGRIC-H008B-S12.5

Requested by: Representatives Mitchell, Baker, Carpenter, H. Hunter

AUTHORIZE THE AGRICULTURAL FINANCE AUTHORITY TO USE THE INTEREST FROM THE RESERVE FOR FARM LOANS FOR ADMINISTRATIVE EXPENSES

Section @. G.S. 122D-16 reads as rewritten:

"**§ 122D-16. Trust funds.** (a) Notwithstanding any other provisions of law to the contrary, all moneys received pursuant to the authority of this Chapter shall be deemed to be trust funds to be held and applied solely as provided in this Chapter. Interest earned from these moneys and interest received from loans made from these moneys may be used for any purpose set out in this Chapter and for the costs of administering this Chapter. The resolution authorizing any obligations or the trust agreement securing ~~the same~~ any obligations may provide that any of ~~such~~ these moneys may be temporarily invested pending the disbursement ~~thereof~~ of the moneys and shall provide that any officer with whom, or any bank or trust company with which, such moneys shall be deposited, shall act as trustee of ~~such~~ the moneys and shall hold and apply the ~~same~~ moneys for the purposes ~~hereof,~~ under this Chapter, subject to ~~such regulations as this Chapter and such resolution or trust agreement may provide.~~ any rules adopted pursuant to this Chapter and any provisions in the provision or trust agreement. ~~Any such moneys or any other~~

(b) All moneys of the Authority may be invested in the following:

(1) Bonds, notes or treasury bills of the United States;

(2) Non-convertible debt securities of the following issuers:

a. The Federal Home Loan Bank Board;

b. The Federal National Mortgage Association;

c. The Federal Farm Credit Bank; and

d. The Student Loan Marketing Association;

(3) Any other obligations not listed above which are guaranteed as to principal and interest by the United States or any of its agencies;

(4) Certificates of deposit and other evidences of deposit at state and federal chartered banks and savings and loan associations; provided that any principal amount of such certificate in excess of

the amount insured by the federal government or any agency thereof be fully collateralized;

(5) Obligations of the United States or its agencies under a repurchase agreement for a shorter time than the maturity date of the security itself if the market value of the security itself is more than the amount of funds invested;

(6) Money market funds whose portfolios consist of any of the foregoing investments;

(7) A guaranteed investment or similar contract, which provides for the investment of funds at a guaranteed rate of return, with an insurance company or depository financial institution with a claim paying rating of no less than either of the two highest grades given by a nationally recognized rating agency; and

(8) Any other investment authorized by law for the investment of funds by a unit of local government."

CODE NO. 97AGRIC-H001A

Requested by: Representative Tolson

EASTERN NORTH CAROLINA LIVESTOCK ARENA FUNDS

Section @. Section 94 of Chapter 561 of the 1993 Session Laws reads as rewritten:

"Sec. 94. ~~(a)~~ The seven hundred thousand dollars ($700,000) appropriated in Section 4 of Chapter 1014 of the 1985 Session Laws and allocated in Section 158(b) of Chapter 1014 of the 1985 Session Laws, as amended by Section 137(a) of Chapter 738 of the 1987 Session Laws, Section 154 of Chapter 1086 of the 1987 Session Laws, and Section 34 of Chapter 1100 of the 1987 Session Laws, to the Rocky Mount Business Development Authority for the agricultural complex located at Fountain ~~Park in Section 137(a) of Chapter 738 of the 1987 Session Laws, as amended by Section 154 of Chapter 1086 of the 1987 Session Laws and Section 34 of Chapter 1100 of the 1987 Session Laws, the sum of seven hundred thousand dollars ($700,000) may be loaned to a city which is located in two counties so as to allow that city to establish a Farmer's Market in the vicinity of the old Fenner's Warehouse No. 1 on the North Church Street corridor.~~

~~(b) This no-interest loan shall be repaid by the city to the Rocky Mount Business Development Authority (RMBDA) over the next seven years at the rate of one hundred thousand dollars ($100,000) per year or at a rate necessary to support the cash flow requirement for planning and constructing a processing facility at Fountain Park.~~

~~(c) The Rocky Mount Business Development Authority (RMBDA) shall provide a grant of all interest accrued to date, less expenses, on the seven hundred thousand dollar ($700,000) appropriation to the Rocky Mount/Edgecombe Community Development Corporation (RMECDC) for the South Washington Street Revitalization Project.~~

~~(d) The City of Rocky Mount shall organize the Rocky Mount Business Development Authority (RMBDA) such that the Authority assists in planning and construction of a vegetable and fruit processing facility in Fountain Park before January 1, 2001. This processing facility shall have the capability to, at least: cool, wash, wax, grade, sort, package, and store for transit the commercial produce of local farm families. The facility shall provide facilities for unloading harvested farm fruits and vegetables, loading surface transport with packaged fruits and vegetables, and supporting brokerage operations. RMBDA may use~~

~~the funds repaid to it under subsection (b) of this section for the purposes of this subsection.~~ Park, plus all interest accrued, shall be used for the construction of a facility to replace the Eastern North Carolina Livestock Arena. This facility shall be used for horse- and swine-breeding stock auctions, for cattle sales, and for functions of the Future Farmers of America and 4-H Clubs."

CODE NO. 97AGRIC-H011A

Requested by: Representatives Mitchell, Baker, Carpenter

ASSISTANCE FOR SMALL, FAMILY FARMS

Section @. Of the funds appropriated in this act to the Department of Agriculture for the 1997-98 fiscal year, the sum of fifty thousand dollars ($50,000) shall be used to provide assistance to farmers who operate small, family farms. By March 1, 1998, the Department shall report to the Joint Legislative Commission on Governmental Operations, the Appropriations Subcommittees on Natural and Economic Resources in both the House of Representatives and the Senate, and the Fiscal Research Division on the use of these funds, including the number and geographic location of the small, family farms assisted through this allocation of funds, the type of assistance provided, and any other information or indicators that demonstrate the overall impact of this allocation of funds.

CODE NO. 97AGRIC-H009A

Requested by: Representatives Mitchell, Baker, Carpenter

SOUTHERN DAIRY COMPACT COMMISSION FUNDS

Section @. (a) Of the funds appropriated in this act to the Department of Agriculture, the sum of twenty-five thousand dollars ($25,000) for the 1997-98 fiscal year and the sum of twenty-five thousand dollars ($25,000) for the 1998-99 fiscal year shall be used to support the Southern Dairy Compact Commission.

(b) The allocation of funds under subsection (a) of this section is contingent upon the enactment of House Bill 998 of the 1997 Session of the General Assembly, Senate Bill 977 of the 1997 Session of the General Assembly, or substantially similar legislation that creates the Southern Dairy Compact Commission.

CODE NO. 97LAB-H001B

Requested by: Representatives Mitchell, Baker, Carpenter, and Owens

OSHA TECHNICAL ASSISTANCE

Section @. (a) Article 22 of Chapter 95 of the General Statutes is amended by adding a new section to read:

"**§ 95-255.1. Technical assistance.**

Employers notified pursuant to G.S. 95-255(a) shall be offered technical assistance from the Division of Occupational Safety and Health to reduce injuries and illnesses in their workplaces."

(b) G.S. 95-136.1(b) reads as rewritten:

"(b) The Department shall develop and implement a special emphasis inspection program that targets for special emphasis inspection employers who:

(1) Have a high rate of serious or willful violations of any standard, rule, order, or other requirement under this Article, or of regulations prescribed pursuant to the Federal Occupational Safety and Health Act of 1970, in a one-year period;

(2) Have a high rate of work-related deaths, or a high rate of work-related serious injuries or illnesses, in a one-year period; or

(3) Are engaged in a type of industry determined by the Department to be at high risk for serious or fatal work-related injuries or ~~illnesses; or~~ illnesses.

~~(4) Have an experience modification rating established for workers' compensation premium rates that is significantly higher than the State average. For purposes of targeting employers under this subdivision, the Department, in consultation with the North Carolina Rate Bureau and the Commissioner of Insurance, shall set the experience modification rating threshold for determining a rating that is significantly higher than the State average.~~

To identify an employer for a special emphasis inspection, the Department shall use the most current data available from its own database and from other sources, including State departments, divisions, boards, commissions, and other State entities. The Department shall ensure that every employer targeted for a special emphasis inspection is inspected at least one time within the two-year period following targeting of the employer by the

Department. The Department shall update its special emphasis inspection records at least annually."

(c) The Department of Labor shall use up to the sum of four hundred fifty thousand dollars ($450,000) in additional federal funds received from the United States Department of Labor under the federal OSHA 23(g) grant to provide technical assistance to employers notified pursuant to G.S. 95-255(a).

CODE NO. 97LAB-H002A

Requested by: Representatives Mitchell, Baker, Carpenter

ESTABLISH DEPARTMENTAL SAFETY OFFICER

Section @. The Department of Labor shall use up to the sum of fifty thousand dollars ($50,000) in additional federal funds received from the United States Department of Labor under the federal OSHA 23(g) grant to establish a departmental Safety Officer position.

CODE NO. 97COMM-H030B

Requested by: Representatives Mitchell, Baker, Carpenter, H. Hunter

WORKER TRAINING TRUST FUND APPROPRIATIONS

Section @. (a) There is appropriated from the Worker Training Trust Fund to the Employment Security Commission of North Carolina the sum of six million six hundred eighty-nine thousand nine hundred sixty-four dollars ($6,689,964) for the 1997-98 fiscal year and the sum of six million six hundred eighty-nine thousand nine hundred sixty-four dollars ($6,689,964) for the 1998-99 fiscal year for the operation of local offices.

(b) Notwithstanding the provisions of G.S. 96-5(f), there is appropriated from the Worker Training Trust Fund to the following agencies the following sums for the 1997-98 and the 1998-99 fiscal years for the following purposes:

(1) $2,400,000 for the 1997-98 fiscal year and $2,400,000 for the 1998-99 fiscal year to the Department of Commerce, Division of Employment and Training, for the Employment and Training Grant Program;

(2) $1,000,000 for the 1997-98 fiscal year and $1,000,000 for the 1998-99 fiscal year to the Department of Labor for customized training of the unemployed and the working poor for specific jobs needed by employers through the Department's Bureau for Training Initiatives;

(3) $1,746,000 for the 1997-98 fiscal year and $1,746,000 for the 1998-99 fiscal year to the Department of Community Colleges to continue the Focused Industrial Training Program;

(4) $225,000 for the 1997-98 fiscal year and $225,000 for the 1998-99 fiscal year to the Employment Security Commission for the State Occupational Information Coordinating Committee to develop and operate an interagency system to track former participants in State education and training programs;

(5) $400,000 for the 1997-98 fiscal year and $400,000 for the 1998-99 fiscal year to the Department of Community Colleges for a training program in entrepreneurial skills to be operated by North Carolina REAL Enterprises; and

(6) $50,000 for the 1997-98 fiscal year and $50,000 for the 1998-99 fiscal year to the Office of State Budget and Management to maintain compliance with Chapter 96 of the General Statutes, which directs the Office Of State Budget and Management to employ the Common Follow-Up Management Information System to evaluate the effectiveness of the State's job training, education, and placement programs.

(7) $100,000 for the 1997-98 fiscal year and $100,000 for the 1998-99 fiscal year to the State Board of Education for the Teacher Apprenticeship Program.

(8) $500,000 for the 1997-98 fiscal year and $1,000,000 for the 1998-99 fiscal year to the Department of Labor to expand the Apprenticeship Program. It is intended that the appropriation of funds in this subdivision will result in the Department of Labor serving a benchmark performance level of 10,000 adult and youth apprentices by the year 2000.

CODE NO. 97COMM-H026

Requested by: Representatives Mitchell, Baker, Carpenter

JOB TRAINING STUDY COMMISSION

Section @. (a) The General Assembly intends to reorganize the State's workforce development system to improve the delivery of job training programs and services in North Carolina.

(b) There is created a Legislative Study Commission on Job Training Programs. The purpose of the Commission is to review State and federally funded job training programs and services currently in existence to determine the feasibility of eliminating or consolidating those which are duplicative, inefficient, or ineffective in carrying out their purposes and activities.

(c) The Commission shall consist of six members appointed by the Speaker of the House of Representatives, at least three of whom shall be members of the House of Representatives, and six members appointed by the President Pro Tempore of the Senate, at least three of whom shall be members of the Senate. The Speaker shall designate one Representative as cochair and the President Pro Tempore shall designate one Senator as cochair. Vacancies on the Commission shall be filled by the same appointing officer who made the initial appointment. The Commission shall expire upon delivering its final report to the 1997 General Assembly (1998 Regular Session).

The Commission, while in the discharge of official duties, may exercise all powers provided for under the provisions of G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4. The Commission may meet at any time upon the joint call of the cochairs. The Commission may meet in the Legislative Building or the Legislative Office Building. The Commission may contract for professional, clerical, or consultant services as provided by G.S. 120-32.02.

The Legislative Services Commission, through the Legislative Administrative Officer, shall assign professional staff to assist the Commission in its work. The House of Representatives' and the Senate's Supervisors of Clerks shall assign clerical staff to the Commission, and the expenses relating to the clerical employees shall be borne by the Commission. Members of the Commission shall receive subsistence and travel expenses at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

(d) The Commission shall have the following powers and duties:

(1) To review State and federal laws, rules, and regulations pertaining to job training programs to determine the purpose of each program, the population served, and each program's annual outcomes in terms of type of training received, work search efforts, and job placement;

(2) To ascertain as far as possible the intention of the United States Congress with respect to continued funding of federally mandated job training programs and any changes in funding formulae;

(3) To review the amount of State and federal dollars appropriated for each job training program conducted in this State and to review federal requirements for continuous federal funding of the programs;

(4) To review the number of different State agencies that administer State and federal job training programs, the number of persons employed to implement each job training program, and the amount of State dollars needed annually to implement the program;

(5) To determine whether federally funded job training programs in this State may lawfully be abolished or reduced in size by the General Assembly, and the impact of such reduction or elimination;

(6) To conduct public hearings to receive citizen, State agency, and local government comment and experience with the job training programs;

(7) To conduct other studies or activities to aid the Commission in carrying out its purpose and duties, including reviewing reorganization and consolidation efforts in other states; and

(8) To ensure program evaluation and accountability for all workforce development programs and to create a comprehensive statewide focus on workforce development.

(e) The Commission shall report to the 1997 General Assembly (1998 Regular Session), the Joint Legislative Commission on Governmental Operations, and the Joint Legislative Education Oversight Committee not later than May 1, 1998. The report shall identify each job training program operating in the State and

recommend whether each program should be expanded, continued without change, abolished, consolidated with another program, or otherwise modified, including implementation components.

(f) All State departments and agencies and local governments and their subdivisions shall furnish the Commission with any information in their possession or available to them.

(g) Notwithstanding G.S. 96-5(f), there is appropriated from the Worker Training Trust Fund to the General Assembly the sum of fifty thousand dollars ($50,000) for the 1997-98 fiscal year to implement this section.

CODE NO. 97COMM-H027

Requested by: Representatives Mitchell, Baker, Carpenter

NC REAL ENTERPRISES REPORTING

Section @. NC REAL Enterprises shall do the following:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1996-97 program activities, objectives, and accomplishments;
   b. State fiscal year 1996-97 itemized expenditures and fund sources;
   c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997; and
   d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997;

(2) By January 15, 1999, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1997-98 program activities, objectives, and accomplishments;
   b. State fiscal year 1997-98 itemized expenditures and fund sources;
   c. State fiscal year 1998-99 planned activities, objectives, and accomplishments including actual results through December 31, 1998; and
   d. State fiscal year 1998-99 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1998; and

(3) Provide to the Fiscal Research Division a copy of the organization's annual audited financial statement within 30 days of issuance of the statement.

CODE NO. 97COMM-H025

Requested by: Representatives Mitchell, Baker, Carpenter

SPECIAL EMPLOYMENT SECURITY ADMINISTRATION FUND

Section @. (a) Notwithstanding G.S. 96-5(c), there is appropriated from the Special Employment Security Administration Fund to the Employment Security Commission of North Carolina, the sum of two million dollars ($2,000,000) for the 1997-98 fiscal year and the sum of two million dollars ($2,000,000) for the 1998-99 fiscal year for administration of the Employment Services and Unemployment Insurance Programs.

(b) Supplemental federal funds or other additional funds received by the Employment Security Commission for similar purposes shall be expended prior to the expenditure of funds appropriated by this section.

CODE NO. 97COMM-H028

Requested by: Representatives Mitchell, Baker, Carpenter

INDUSTRIAL RECRUITMENT COMPETITIVE FUND

Section @. (a) Funds appropriated in this act to the Department of Commerce for the Industrial Recruitment Competitive Fund shall be used to continue the Fund. The purpose of the Fund is to provide financial assistance to those businesses or industries deemed by the Governor to be vital to a healthy and growing State economy and that are making significant efforts to establish or expand in North Carolina. Monies allocated from the Fund shall be used for the following purposes:

(1) Installation or purchase of equipment;

(2) Structural repairs, improvements, or renovations of existing buildings to be used for expansion; and

(3) Construction of or improvements to new or existing water, sewer, gas or electric utility distribution lines, or equipment for existing buildings.

Monies may also be used for construction of or improvements to new or existing water, sewer, gas or electric utility distribution lines, or equipment to serve new or proposed industrial buildings used for manufacturing and industrial operations. The Governor shall adopt guidelines and procedures for the commitment of monies from the Fund.

(b) The Department of Commerce shall report on or before October 1, 1997, and quarterly thereafter to the Joint Legislative Commission on Governmental Operations on the commitment, allocation, and use of funds allocated from the Industrial Recruitment Competitive Fund.

97COMM-H015

Requested by: Representatives Mitchell, Baker, Carpenter, H. Hunter

COUNCIL OF GOVERNMENT FUNDS

Section @. (a) Of the funds appropriated in this act to the Department of Commerce, eight hundred sixty-four thousand two hundred seventy dollars ($864,270) for the 1997-98 fiscal year and eight hundred sixty-four thousand two hundred seventy dollars ($864,270) for the 1998-99 fiscal year shall only be used as provided by this section. Each regional council of government or lead regional organization is allocated up to forty-eight thousand fifteen dollars ($48,015) for each fiscal year, with the actual amount calculated as provided in subsection (b) of this section.

(b) The funds shall be allocated as follows: A share of the maximum forty-eight thousand fifteen dollars ($48,015) each fiscal year shall be allocated to each county and smaller city based on the most recent annual estimate of the Office of State Planning of the population of that county (less the population of any larger city within that county) or smaller city, divided by the sum of the total population of the region (less the population of larger cities within that region) and the total population of the region living in smaller cities. Those funds shall be paid to the regional council of government for the region in which that city or county is located upon receipt by the Department of Commerce of a resolution of the governing board of the county or city requesting release of the funds. If any city or county does not so request payment of funds by June 30 of a State fiscal year, that share of the allocation for that fiscal year shall revert to the General Fund.

(c) A regional council of government may use funds appropriated by this section only to assist local governments in grant applications, economic development, community development, support of local industrial development activities, and other activities as deemed appropriate by the member governments.

(d) Funds appropriated by this section shall not be used for payment of dues or assessments by the member governments and shall not supplant funds appropriated by the member governments.

(e) As used in this section, "Larger City" means an incorporated city with a population of 50,000 or over. "Smaller City" means any other incorporated city.

CODE NO. 97COMM-H003

Requested by: Representatives Mitchell, Baker, and Carpenter

PETROLEUM OVERCHARGE ATTORNEYS' FEES

Section *. (a) Unless prohibited by federal law, rule, or regulation or preexisting settlement agreement, no later than October 1, 1989, the North Carolina Attorney General shall direct the withdrawal of all funds received in the cases of **United States v. Exxon and Stripper Well** that are held in accounts or reserves located out-of-state for payment of attorneys' fees and reasonable expenses incurred in connection with oil overcharge litigation authorized by the Attorney General. The Attorney General shall deposit these funds, and all funds to be received from Petroleum Overcharge Funds in the future for attorneys' fees and reasonable expenses, into the Special Reserve for Oil Overcharge Funds.

(b) All attorneys' fees and reasonable expenses incurred in connection with oil overcharge litigation shall be paid by the State Treasurer from Petroleum Overcharge Funds that have been received by this State and deposited into the Special Reserve for Oil Overcharge Funds.

(c) Notwithstanding any other provision of law, the Attorney General may authorize the payment of attorneys' fees and reasonable expenses from the Special Reserve for Oil Overcharge Funds without further action of the General Assembly, and funds are hereby appropriated from the Special Reserve for Oil Overcharge Funds for the 1997-98 fiscal year and for the 1998-99 fiscal year for that purpose.

CODE NO. 97COMM-H004

Requested by: Representatives Mitchell, Baker, and Carpenter

PETROLEUM OVERCHARGE FUNDS ALLOCATION

Section *. (a) The funds and interest thereon received from the case of the **United States v. Exxon** are deposited in the Special Reserve for Oil Overcharge Funds. There is appropriated from the Special Reserve to the Department of Commerce the sum of one million two hundred thousand dollars ($1,200,000) for the 1997-98 fiscal year and the sum of one million two hundred thousand dollars ($1,200,000) for the 1998-99 fiscal year to be used for projects under the State Energy Efficiency Programs.

(b) There is appropriated from funds and interest thereon received from the United States Department of Energy's Stripper Well Litigation (MDL378) that remain in the Special Reserve for Oil Overcharge Funds to the Department of Commerce the sum of one million dollars ($1,000,000) for the 1997-98 fiscal year and the sum of one million eight hundred thousand dollars ($1,800,000) for the 1998-99 fiscal year to be allocated for the Residential Energy Conservation Assistance Programs (RECAP).

(c) Any funds remaining in the Special Reserve for Oil Overcharge Funds after the allocations made pursuant to subsections (a) and (b) of this section may be expended only as authorized by the General Assembly. All interest or income accruing from all deposits or investments of cash balances shall be credited to the Special Reserve Oil Overcharge Funds.

(d) The funds and interest thereon received from the Diamond Shamrock Settlement that remain in a reserve in the Office of State Budget and Management for the Department of Commerce to administer the petroleum overcharge funds pursuant to Section 112 of Chapter 830 of the 1987 Session Laws shall continue to be available to the Department of Commerce on an as-needed basis.

(e) The Department of Commerce shall submit comprehensive annual reports to the General Assembly by May 15, 1998, and January 31, 1999, which detail the use of all Petroleum Overcharge Funds. Any State department or agency that has received Petroleum Overcharge Funds shall provide all information requested by the Department of Commerce for the purpose of preparing these reports.

CODE NO. 97COMM-H007A

Requested by: Representatives Mitchell, Baker, Carpenter, H. Hunter

INDUSTRIAL DEVELOPMENT FUND/LOCAL MATCH

Section @. Local governments requesting financial assistance from the Industrial Development Fund that wish to request to be exempted from the local matching requirements placed on the receipt of this assistance shall demonstrate to the satisfaction of the Department of Commerce that it would be an economic hardship for the local government to match State assistance from the Fund with local funds. The Department shall develop guidelines for determining hardship.

CODE NO. 97COMM-H029A

Requested by: Representatives Mitchell, Baker, Carpenter, H. Hunter

INDUSTRIAL DEVELOPMENT FUND UTILITY ACCOUNT

Sec. @. (a) Of the funds appropriated in this act to the Department of Commerce for the 1997-98 fiscal year, the sum of five hundred thousand dollars ($500,000) shall be deposited to and used for the Utility Account established under G.S. 143B-437A(b1).

(b) In addition to the reporting requirements of G.S. 143B-437A, the Department of Commerce shall report annually to the General Assembly concerning the payments made from the Utility Account and the impact of the payments on job creation in the State. The Department of Commerce shall also report quarterly to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division on the use of the moneys in the Utility Account including information regarding to whom payments were made, in what amounts, and for what purposes.

CODE NO. 97COMM-H008A

Requested by: Representatives Mitchell, Baker, Carpenter

REGIONAL COMMISSION REPORTS

Section @. (a) Each regional economic development commission receiving a grant-in-aid from the Department of Commerce shall:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations, the Fiscal Research Division, and the Department of Commerce the following information:

a. State fiscal year 1996-97 program activities, objectives, and accomplishments;

b. State fiscal year 1996-97 itemized expenditures and fund sources;

c. State fiscal year 1997-98 planned activities, objectives, and accomplishments as specified in subsection (b)(1) through (b)(6) of this section including actual results through December 31, 1997;

d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997.

(2) By January 15, 1999, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations, the Fiscal Research Division, and the Department of Commerce the following information:

a. State fiscal year 1997-98 program activities, objectives, and accomplishments;

b. State fiscal year 1997-98 itemized expenditures and fund sources;

c. State fiscal year 1998-99 planned activities, objectives, and accomplishments as specified in subsection (b)(1) through (b)(6) of this section including actual results through December 31, 1998;

d. State fiscal year 1998-99 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1998.

(3) Provide to the Fiscal Research Division and the Department of Commerce a copy of its annual audited financial statement within 30 days of issuance of the statement.

(b) Each regional economic development commission receiving a grant-in-aid from the Department of Commerce in each fiscal year of the 1997-99 biennium shall by the 25th day of the month following the end of a fiscal quarter, report to the Department of Commerce the following information for the most recent completed fiscal quarter:

(1) The number of and description of marketing outreach events including trade shows, recruitment missions, and related activities;

(2) The number of inquiries, leads, and prospects generated;

(3) The amount of investment and number of jobs created by the direct efforts of a commission;

(4) The amount of investment and number of jobs created by the indirect efforts of a commission;

(5) The number and listing of available sites and buildings within the region served by a commission;

(6) A listing of major accomplishments.

CODE NO. 97COMM-H009

Requested by: Representatives Mitchell, Baker, Carpenter

REGIONAL ECONOMIC DEVELOPMENT COMMISSION ALLOCATIONS

Section @. (a) Funds appropriated in this act to the Department of Commerce for regional economic development commissions shall be allocated to the following commissions in accordance with subsection (b) of this section: Western North Carolina Regional Economic Development Commission, Research Triangle Regional Commission, Southeastern North Carolina Regional Economic Development Commission, Piedmont Triad Partnership, Northeastern North Carolina Regional Economic Development Commission, Global TransPark Development Commission, and Carolinas Partnership, Inc.

(b) Funds appropriated pursuant to subsection (a) of this section shall be allocated to each regional economic development commission as follows:

(1) First, the Department shall establish each commission's allocation by determining the sum of allocations to each county that is a member of that commission. Each county's allocation shall be determined by dividing the county's enterprise factor by the sum of the enterprise factors for eligible counties and multiplying the resulting percentage by the amount of the appropriation. As used in this subdivision, the term "enterprise factor" means a county's enterprise factor as calculated under G.S. 105-129.3;

(2) Next, the Department shall subtract from funds allocated to the Global TransPark Development Zone the sum of two hundred seventy-six thousand nine hundred twenty-three dollars ($276,923) in each fiscal year, which sum represents the interest earnings in each fiscal year on the estimated balance of seven million five hundred thousand dollars ($7,500,000) appropriated to the Global TransPark Development Zone in Section 6 of Chapter 561 of the 1993 Session Laws; and

(3) Next, the Department shall redistribute the sum of two hundred seventy-six thousand nine hundred twenty-three dollars ($276,923) in each fiscal year to the seven regional economic development commissions named in subsection (a) of this

section. Each commission's share of this redistribution shall be determined according to the enterprise factor formula set out in subdivision (1) of this subsection. This redistribution shall be in addition to each commission's allocation determined under subdivision (1) of this subsection.

CODE NO. 97COMM-H005

Requested by: Representatives Mitchell, Baker, Carpenter, H. Hunter

TOURISM PROMOTION FUNDS

Section *. Funds appropriated in this act to the Department of Commerce for tourism promotion grants shall be allocated according to per capita income, unemployment, and population growth in an effort to direct funds to counties most in need in terms of lowest per capita income, highest unemployment, and slowest population growth, in the following manner:

(1) Counties 1 through 20 are each eligible to receive a maximum grant of $7,500 for each fiscal year, provided these funds are matched on the basis of one non-State dollar for every four State dollars.

(2) Counties 21 through 50 are each eligible to receive a maximum grant of $3,500 for two of the next three fiscal years, provided these funds are matched on the basis of one non-State dollar for every three State dollars.

(3) Counties 51 through 100 are each eligible to receive a maximum grant of $3,500 for alternating fiscal years, beginning with the 1991-92 fiscal year, provided these funds are matched on the basis of four non-State dollars for every State dollar.

CODE NO. 97COMM-H016

Requested by: Representatives Mitchell, Baker, Carpenter, H. Hunter

RURAL TOURISM DEVELOPMENT FUNDS

Section @. Of the funds appropriated in this act to the Department of Commerce for the 1997-98 fiscal year, the sum of one hundred thousand dollars ($100,000) shall be used for the Rural Tourism Development Grant Program. The Department shall establish and implement this Program to provide grants to local governments and nonprofit organizations to encourage the development of new tourism projects and activities in rural areas of the State. The Department shall develop procedures for the administration and distribution of funds allocated to the Rural Tourism Development Program under the following guidelines:

(1) Eligible organizations shall make application under procedures established by the Department;

(2) Eligible organizations shall be nonprofit tourism-related organizations located in the State's rural regions;

(3) Priority shall be given to eligible organizations that have significant involvement of travel and tourism-related businesses;

(4) Priority shall be given to eligible organizations serving economically distressed rural counties;

(5) Priority shall be given to eligible organizations that match funds; and

(6) Funds shall not be used for renting or purchasing land or buildings, or for financing debt.

No recipient or new tourism project shall receive a total of more than fifty thousand dollars ($50,000) of these grant funds for the 1997-98 fiscal year.

CODE NO. 97COMM-H024

Requested by: Representatives Mitchell, Baker, Carpenter

NORTH CAROLINA ALLIANCE FOR COMPETITIVE TECHNOLOGIES REPORT

Section @. The North Carolina Alliance for Competitive Technologies, a Division of the Department of Commerce, shall do the following:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1996-97 program activities, objectives, and accomplishments;
   b. State fiscal year 1996-97 itemized expenditures and fund sources;
   c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997; and
   d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997; and

(2) By January 15, 1999, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1997-98 program activities, objectives, and accomplishments;
   b. State fiscal year 1997-98 itemized expenditures and fund sources;
   c. State fiscal year 1998-99 planned activities, objectives, and accomplishments including actual results through December 31, 1998; and
   d. State fiscal year 1998-99 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1998.

CODE NO. 97COMM-H006A

Requested by: Representatives Mitchell, Baker, Carpenter

DIVISION OF EMPLOYMENT AND TRAINING AND COMMISSION ON WORKFORCE PREPAREDNESS CONSOLIDATED

Sec. @. The Department of Commerce shall consolidate the functions, staff, and budget of the Commission on Workforce Preparedness into the Division of Employment and Training. In consolidating these departmental entities, the Department shall eliminate budget expenditures and personnel positions, including management, that are duplicative. To the maximum extent possible, the Department shall use the efficiencies realized from the consolidation of the entities and the elimination of duplicative positions and budget expenditures to increase funds available for job training for individuals eligible for services under State and federal programs administered by the Division of Employment and Training. The Department shall complete the consolidation required under this section not later than October 1, 1997, and shall report on the consolidation to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division not later than November 1, 1997.

CODE NO. 97COMM-H017B

Requested by: Representatives Mitchell, Baker, Carpenter, H. Hunter

FUNDS FOR ECONOMIC DEVELOPMENT

Section @. (a) Of the funds appropriated in this act to the Department of Commerce, the sum of nine hundred seventy-five thousand dollars ($975,000) for the 1997-98 fiscal year shall be allocated as follows:

(1) $350,000 to the Land Loss Prevention Project, Inc., to provide free legal representation to low-income, financially-distressed, small farmers. The Land Loss Prevention Project, Inc., shall not use these funds to represent farmers who have income and assets that would make them financially ineligible for legal services pursuant to Title 45, Part 1611 of the Code of Federal Regulations;

(2) $250,000 to the North Carolina Coalition of Farm and Rural Families, Inc., for its Small Farm Economic Development Project. These funds shall be used to foster economic development within the State's rural farm communities by offering marketing and technical assistance to small and limited resource farmers; and

(3) $375,000 to the North Carolina Minority Support Center (formerly known as the Minority Credit Union Support Center) for technical assistance to community-based minority credit unions.

(b) Each of the nonprofit organizations receiving funds under this section shall:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:

a. State fiscal year 1996-97 program activities, objectives, and accomplishments;

b. State fiscal year 1996-97 itemized expenditures and fund sources;

c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997; and

d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual

expenditures and fund sources through December 31, 1997.

(2) Provide to the Fiscal Research Division a copy of the organization's annual audited financial statement within 30 days of issuance of the statement.

CODE NO. 97COMM-H018

Requested by: Representatives Mitchell, Baker, Carpenter, H. Hunter

NORTH CAROLINA INSTITUTE FOR MINORITY ECONOMIC DEVELOPMENT REPORT

Sec. @. The North Carolina Institute for Minority Economic Development, Inc. shall do the following:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1996-97 program activities, objectives, and accomplishments;
   b. State fiscal year 1996-97 itemized expenditures and fund sources;
   c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997; and
   d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997;

(2) By January 15, 1999, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1997-98 program activities, objectives, and accomplishments;
   b. State fiscal year 1997-98 itemized expenditures and fund sources;
   c. State fiscal year 1998-99 planned activities, objectives, and accomplishments including actual results through December 31, 1998; and
   d. State fiscal year 1998-99 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1998; and

(3) Provide to the Fiscal Research Division a copy of the organization's annual audited financial statement within 30 days of issuance of the statement.

CODE NO. 97COMM-H010A

Requested by: Representatives Mitchell, Baker, Carpenter, H. Hunter

TECHNOLOGICAL DEVELOPMENT AUTHORITY REPORT

Section @. The Technological Development Authority, Inc., shall do the following:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1996-97 program activities, objectives, and accomplishments;
   b. State fiscal year 1996-97 itemized expenditures and fund sources;
   c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997; and
   d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997;

(2) By January 15, 1999, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1997-98 program activities, objectives, and accomplishments;
   b. State fiscal year 1997-98 itemized expenditures and fund sources;
   c. State fiscal year 1998-99 planned activities, objectives, and accomplishments including actual results through December 31, 1998; and
   d. State fiscal year 1998-99 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1998; and

(3) Provide to the Fiscal Research Division a copy of the organization's annual audited financial statement within 30 days of issuance of the statement.

CODE NO. 97COMM-H019

Requested by: Representatives Mitchell, Baker, Carpenter

WORLD TRADE CENTER FUNDS

Section @. Of the funds appropriated in this act to the Department of Commerce, the sum of three hundred thousand dollars ($300,000) for the 1997-98 fiscal year shall be allocated to the World Trade Center North Carolina (WTCNC) to support international trade education programs for small- and medium-sized businesses. The World Trade Center North Carolina shall:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1996-97 program activities, objectives, and accomplishments;
   b. State fiscal year 1996-97 itemized expenditures and fund sources;
   c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997;
   d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997.

(2) Provide to the Fiscal Research Division a copy of the Center's annual audited financial statement within 30 days of issuance of the statement.

CODE NO. 97COMM-H020

Requested by: Representatives Mitchell, Baker, Carpenter

CENTER FOR COMMUNITY SELF-HELP FUNDS

Section @. (a) Of the funds appropriated in this act to the Department of Commerce, the sum of three million dollars ($3,000,000) for the 1997-98 fiscal year shall be allocated to the Center for Community Self-Help to further a statewide program of lending for home ownership throughout North Carolina. These funds will be leveraged on a ten-to-one basis, generating at least ten dollars ($10.00) of nontraditional home loans for every one dollar ($1.00) of State funds. Payments of principal shall be available for further loans or loan guarantees.

(b) The Center for Community Self-Help shall submit, within 180 days after the close of its fiscal year, audited financial statements to the State Auditor. All records pertaining to the use of State funds shall be made available to the State Auditor upon request. The Center for Community Self-Help shall make quarterly reports on the use of State funds to the State Auditor, in form and format prescribed by the State Auditor or his designee. The Center for Community Self-Help shall make a written report by May 1 of each year for the next three years to the General Assembly on the use of the funds allocated under this section.

(c) The Center for Community Self-Help shall report to the Joint Legislative Commission on Governmental Operations, the House Appropriations Subcommittee on Natural and Economic Resources, the Senate Appropriations Committee on Natural and Economic Resources, and the Department of Commerce on a quarterly basis for the next three years.

(d) The Office of the State Auditor may conduct an annual end-of-year audit of the revolving fund for economic development lending created by this appropriation for each year of the life of the revolving fund.

(e) If the Center for Community Self-Help dissolves, the corporation shall transfer the remaining assets of the revolving fund to the State and shall refrain from disposing of the revolving fund assets without approval of the State Treasurer.

(f) The Department of Commerce shall disburse this appropriation within 15 working days of the receipt of a request for the funds from the Center for Community Self-Help. The

request shall include a commitment of the leveraged funds by the Center for Community Self-Help or its affiliates.

CODE NO. 97COMM-H032

Requested by: Representatives Mitchell, Baker, Carpenter

STATE GOVERNMENT COMPETITION INITIATIVE

Sec. @. The General Statutes are amended by adding a new Chapter to read:

"Chapter 143C.

"North Carolina Government Competition Act of 1997.

"**§ 143C-1. Short title.**

This Chapter shall be known and may be cited as the 'North Carolina Government Competition Act'.

"**§ 143C-2. Definitions.**

As used in this Chapter, unless the context otherwise requires:

(1) 'Commission' means the North Carolina Government Competition Commission.

(2) 'State agency' means any State department, agency, or institution.

"**§ 143C-3. North Carolina Government Competition Commission created; duties.**

(a) There is hereby created the North Carolina Government Competition Commission. The purpose of the Commission is to be the catalyst to cause the use of competition to improve the delivery of State government services, to make State government more effective and more efficient, and to reduce the costs of government to taxpayers.

(b) The Commission shall:

(1) Develop an institutional framework for a statewide competition initiative to encourage innovation and competition within State government.

(2) Establish a system to encourage the use of feasibility studies and innovation to determine where competition could reduce government costs without adversely affecting essential services.

(3) Monitor the activities, products, and services of State agencies to bring an element of competition and to ensure a spirit of innovation and entrepreneurship to compete with the private sector to increase the quality of services or reduce costs to taxpayers.

(4) Identify any barriers to competition in State government and recommend actions to overcome those barriers.

(5) Promote acceptance of competition by State government officials and State employees as a viable alternative to in-house operations for delivering State government services where savings to the State may be realized through competition, including the development and implementation of State employee adjustment and incentive programs.

(6) Advocate, develop, and accelerate implementation of a competitive program for State agencies to ensure competition for the provision or production of government services from both public sector and private sector entities.

(7) Establish approval, planning, and reporting processes required to carry out the functions of the Commission.

(8) Determine the competition potential of a State program or activity, perform cost and benefit analyses, and conduct public and private competition analyses.

(9) Devise evaluation criteria to be used in conducting performance reviews of any State program or activity which is subject to a competition recommendation.

(10) Assess the short-term and long-term results of State government competition efforts.

(11) Appoint, as needed, ad hoc committees relating to specific matters within the Commission's purview.

"§ 143C-4. Membership; appointment; terms; vacancies; chair; quorum; compensation.

(a) The Commission shall be composed of nine members to be appointed as follows:

(1) Three members appointed by the Governor, one of whom shall be a State employee and two of whom shall be members of the private sector, and one of these private sector members shall have large scale purchasing experience.

(2) Three members appointed by the Speaker of the House of Representatives, two of whom shall be members of the private sector.

(3) Three members appointed by the President Pro Tempore of the Senate, two of whom shall be members of the private sector.

Members of the Commission shall serve two-year terms. In making the initial appointments to the Commission, the respective

appointing authorities shall appoint at least one member for a one-year term so that subsequent terms stagger.

(b) All initial appointments shall be effective July 1, 1997. The initial members' terms shall end on June 30 of the applicable year in which a term expires, with the subsequent term beginning on July 1 of that year. No member may serve more than two consecutive terms. Vacancies shall be filled by the appointing authority for any unexpired portion of a term. Members shall receive subsistence, per diem, and travel allowances as provided by G.S. 138-5.

(c) A majority of the members shall constitute a quorum. The Commission shall annually elect its chair and vice-chair from among its members.

"**§ 143C-5. Cooperation of other State agencies.**

All State agencies shall cooperate with the Commission and, upon request, assist the Commission in the performance of its duties and responsibilities. The Commission shall not impose unreasonable burdens or costs in connection with requests of State agencies.

"**§ 143C-6. Staff support; application for and acceptance of gifts and grants; authority to enter into contract.**

(a) The Office of State Budget and Management shall provide staff support to the Commission to enable it to perform its duties as provided by this Chapter.

(b) The Commission may apply for, accept, and expend gifts, grants, or donations from public or private sources to enable it to better carry out its objectives. No entity which provides a gift, donation, or grant shall be eligible for a contract award which results from action of a Commission recommendation.

(c) The Commission may enter into contracts for professional or consultant service. Any consultant awarded a contract under this subsection shall be ineligible for a contract award resulting from the consultant's recommendations.

"**§ 143C-7. Public-private competition analysis; proposals for competition.**

(a) The Governor or the General Assembly may direct any State agency to perform a public-private competition analysis covering any service for which the Commission has received a qualifying unsolicited proposal for competition from a private entity which is consistent with the Commission's purposes and duties as provided by this Chapter.

(b) The Commission may solicit competition proposals from private entities in order to make cost comparison decisions. Any

State agency may submit proposals to the Commission for cost comparison decisions.

"**§ 143C-8. Duties of the Office of State Budget and Management.**

The Office of State Budget and Management shall determine the amount of an existing appropriation that would no longer be needed by a State agency as the result of savings realized through competition and shall report annually, by February 1, the nature and amount of the savings to the Governor and to the General Assembly.

"**§ 143C-9. Reports to the Governor and General Assembly.**

The Commission shall report annually, by February 1, its findings and recommendations to the Governor and to the General Assembly and may make other interim reports it deems advisable. By February 1, 1999, the Commission shall make a special report of its progress to the Governor and to the General Assembly."

(b) Of the funds appropriated in this act to the Department of Commerce, the sum of five thousand six hundred dollars ($5,600) for the 1997-98 fiscal year and the sum of five thousand six hundred dollars ($5,600) for the 1998-99 fiscal year is transferred to the Office of State Budget and Management to carry out the purposes of this section.

(c) This section becomes effective July 1, 1997 and expires June 30, 2001.

CODE NO. 97COMM-H011

Requested by: Representatives Mitchell, Baker, Carpenter

MCNC

Section @. (a) MCNC shall report on all of its programs including contractual services for the Supercomputer and the Research and Education Network. The reports shall:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:

a. State fiscal year 1996-97 program activities, objectives, and accomplishments;

b. State fiscal year 1996-97 itemized expenditures and fund sources;

c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997;

d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997.

e. The users, major projects and benefits resulting from the activities of the Supercomputer and the Research and Education Network.

f. The organization's progress toward achieving self-sufficiency by July 1, 1999.

(2) By January 15, 1999, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:

a. State fiscal year 1997-98 program activities, objectives, and accomplishments;

b. State fiscal year 1997-98 itemized expenditures and fund sources;

c. State fiscal year 1998-99 planned activities, objectives, and accomplishments including actual results through December 31, 1998;

d. State fiscal year 1998-99 estimated itemized expenditures and fund sources including actual

expenditures and fund sources through December 31, 1998.

e. The users, major projects and benefits resulting from the activities of the Supercomputer and the Research and Education Network.

f. The organization's progress toward achieving self-sufficiency by July 1, 1999.

(3) Provide to the Fiscal Research Division a copy of MCNC's annual audited financial statement within 30 days of issuance of the statement.

(b) The funds appropriated in this act to MCNC shall be used as follows:

	FY 1997-98	FY 1998-99
Electronic and Information Technologies Programs	$4,500,000	$2,500,000

(c) Of the funds appropriated for the Electronic and Information Technologies Programs, four million five hundred thousand dollars ($4,500,000) for the 1997-98 fiscal year and two million five hundred thousand dollars ($2,500,000) for the 1998-99 fiscal year is contingent upon a dollar-for-dollar match in non-State funds.

CODE NO. 97COMM-H012

Requested by: Representatives Mitchell, Baker, Carpenter

BIOTECHNOLOGY CENTER

Section @. (a) The North Carolina Biotechnology Center shall recapture funds spent in support of successful research and development efforts in the for-profit private sector.

(b) The North Carolina Biotechnology Center shall provide funding for biotechnology, biomedical, and related bioscience applications under its Business and Science Technology Programs.

(c) The North Carolina Biotechnology Center shall:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:

a. State fiscal year 1996-97 program activities, objectives, and accomplishments;

b. State fiscal year 1996-97 itemized expenditures and fund sources;

c. state fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997; and

d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997.

(2) By January 15, 1999, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:

a. State fiscal year 1997-98 program activities, objectives, and accomplishments;

b. State fiscal year 1997-98 itemized expenditures and fund sources;

c. State fiscal year 1998-99 planned activities, objectives, and accomplishments including actual results through December 31, 1998; and

d. State fiscal year 1998-99 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1998.

(3) Provide to the Fiscal Research Division a copy of the Center's annual audited financial statement within 30 days of issuance of the statement.

(d) The North Carolina Biotechnology Center shall provide a report containing detailed budget, personnel, and salary information to the Office of State Budget and Management and to the Fiscal Research Division in the same manner as State departments and agencies in preparation for biennium budget requests.

CODE NO. 97COMM-H013B

Requested by: Representatives Mitchell, Baker, Carpenter, H. Hunter

BIOTECHNOLOGY FUNDS FOR MINORITY UNIVERSITIES

Section @. Of the funds appropriated in this act from the General Fund to the North Carolina Biotechnology Center the sum of two million dollars ($2,000,000) for the 1997-98 fiscal year and the sum of one million dollars ($1,000,000) for the 1998-99 fiscal years shall be used to continue the special biotechnology program initiative for North Carolina's Public Historically Black Universities and the University of North Carolina at Pembroke. This program initiative is a means to get more funds to these institutions of higher education in the short run to help them develop their biotechnology programs and a means to develop a mechanism to improve these institutions' capacity over the long term. The Center's special initiative shall, at a minimum, provide for:

(1) A range of program activities, including grants, designed to enhance the existing strengths and capabilities of the University of North Carolina at Pembroke, and the Public Historically Black Universities;

(2) A Facilities and Infrastructure Review Committee to advise the Center on major program elements and priority projects that would be most helpful to these institutions; and

(3) A Program Advisory Panel with representation from these institutions to advise and make recommendations to the Center's President and Board of Directors on funding proposals under this initiative.

The Center shall report on its biotechnology program grants to universities to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division on or before March 1 of each fiscal year, and more frequently as requested by the Commission. These reports shall include the current number of enrollments and the capacity of enrollments in the biotechnology program in each of the universities, the number of faculty in the biotechnology program in each of the universities, whether and to what extent the enrollments, capacity, and number of faculty have changed in the last three academic years in the biotechnology program in each of the

universities, how the funds allocated by this section are being used in each of the universities, and any other information that indicates whether these grants are accomplishing their purpose.

CODE NO. 97COMM-H023D

Requested by: Representatives Mitchell, Baker, Carpenter, H. Hunter

RURAL ECONOMIC DEVELOPMENT CENTER

Section @. (a) Of the funds appropriated in this act to the Rural Economic Development Center, Inc., the sum of one million two hundred seventy thousand dollars ($1,270,000) for the 1997-98 fiscal year and the sum of one million two hundred seventy thousand dollars ($1,270,000) for the 1998-99 fiscal year shall be allocated as follows:

	1997-98 FY	1998-99 FY
Research and Demonstration Grants	$475,864	$475,864
Technical Assistance and Center Administration of Research and Demonstration Grants	444,136	444,136
Center Administration, Oversight, and Other Programs	350,000	350,000

(b) The Rural Economic Development Center, Inc., shall provide a report containing detailed budget, personnel, and salary information to the Office of State Budget and Management in the same manner as State departments and agencies in preparation for biennium budget requests.

(c) Not more than fifty percent (50%) of the interest earned on State funds appropriated to the Rural Economic Development Center, Inc., may be used by the Center for administrative purposes, including salaries and fringe benefits.

(d) For purposes of this section, the term "community development corporation" means a nonprofit corporation:

(1) Chartered pursuant to Chapter 55A of the General Statutes;

(2) Tax-exempt pursuant to section 501(c)(3) of the Internal Revenue Code of 1986;

(3) Whose primary mission is to develop and improve low-income communities and neighborhoods through economic and related development;

(4) Whose activities and decisions are initiated, managed, and controlled by the constituents of those local communities; and

(5) Whose primary function is to act as deal-maker and packager of projects and activities that will increase their constituencies' opportunities to become owners, managers, and producers of small businesses, affordable housing, and jobs designed to produce positive cash flow and curb blight in the targeted community.

(e) Of the funds appropriated in this act to the Rural Economic Development Center, Inc., the sum of five million two hundred fifty thousand dollars ($5,250,000) for the 1997-98

fiscal year and the sum of two million five hundred fifty thousand dollars ($2,550,000) for the 1998-99 fiscal year shall be allocated as follows:

(1) $1,400,000 in fiscal year 1997-98 and $1,350,000 in fiscal year 1998-99 for community development grants to support development projects and activities within the State's minority communities. Any community development corporation as defined in this section is eligible to apply for funds. The Rural Economic Development Center, Inc., shall establish performance-based criteria for determining which community development corporation will receive a grant and the grant amount. Funding shall also be allocated to the North Carolina Association of Community Development Corporations, Inc. The Rural Economic Development Center, Inc., shall allocate these funds as follows:

a. $900,000 in each fiscal year for direct grants to the local community development corporations that have previously received State funds for this purpose to support operations and project activities;

b. $250,000 in each fiscal year for direct grants to local community development corporations that have not previously received State funds;

c. $200,000 in fiscal year 1997-98 and $150,000 in fiscal year 1998-99 to the North Carolina Association of Community Development Corporations, Inc., to provide training, technical assistance, resource development, and support for local community development corporations statewide; and

d. $50,000 in each fiscal year to the Rural Economic Development Center, Inc., to be used to cover expenses in administering this section.

(2) $250,000 in each fiscal year to the Microenterprise Loan Program to support the loan fund and operations of the Program; and

(3) $3,600,000 for the 1997-98 fiscal year and $950,000 for the 1998-99 fiscal year shall be used for a program to provide supplemental funding for matching requirements for economic development in economically depressed areas. The Center shall use these funds to make grants to local governments and nonprofit corporations to provide funds necessary to match federal grants or other grants for necessary economic development projects and activities in economically depressed areas. The grant recipients shall be selected on the basis of need. No grant recipient shall receive a total of more than $250,000 in grant awards in each fiscal year.

(f) The Rural Economic Development Center, Inc., shall:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:

a. State fiscal year 1996-97 program activities, objectives, and accomplishments;

b. State fiscal year 1996-97 itemized expenditures and fund sources;

c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997; and

d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997.

(2) By January 15, 1999, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:

a. State fiscal year 1997-98 program activities, objectives, and accomplishments;

b. State fiscal year 1997-98 itemized expenditures and fund sources;

c. State fiscal year 1998-99 planned activities, objectives, and accomplishments including actual results through December 31, 1998; and

d. State fiscal year 1998-99 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1998.

(3) Provide to the Fiscal Research Division a copy of each grant recipient's annual audited financial statement within 30 days of issuance of the statement.

CODE NO. 97COMM-H021

Requested by: Representatives Mitchell, Baker, Carpenter, H. Hunter

COMMUNITY DEVELOPMENT INITIATIVE

Section @. Of the funds appropriated in this act to the Department of Commerce, the sum of two million dollars ($2,000,000) for fiscal year 1997-98 and the sum of two million dollars ($2,000,000) for fiscal year 1998-99 shall be used to support the grant and loan fund and operations of the North Carolina Community Development Initiative, Inc. The Initiative shall provide operating and project activity grants to mature community development corporations that have demonstrated project and organizational capacity.

The North Carolina Community Development Initiative, Inc., shall:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1996-97 program activities, objectives, and accomplishments;
   b. State fiscal year 1996-97 itemized expenditures and fund sources;
   c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997;
   d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997.

(2) By January 15, 1999, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1997-98 program activities, objectives, and accomplishments;
   b. State fiscal year 1997-98 itemized expenditures and fund sources;
   c. State fiscal year 1998-99 planned activities, objectives, and accomplishments including actual results through December 31, 1998;

d. State fiscal year 1998-99 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1998.

(3) Provide to the Fiscal Research Division a copy of the Initiative's annual audited financial statement within 30 days of issuance of the statement.

CODE NO. 97COMM-H022

Requested by: Representatives Mitchell, Baker, Carpenter

OPPORTUNITIES INDUSTRIALIZATION CENTER FUNDS

Section @. (a) Of the funds appropriated in this act to the Rural Economic Development Center, Inc., the sum of two hundred fifty thousand dollars ($250,000) for the 1997-98 fiscal year and the sum of two hundred fifty thousand dollars ($250,000) for the 1998-99 fiscal year shall be allocated as follows:

(1) $50,000 in each fiscal year to the Opportunities Industrialization Center of Wilson, Inc., for its ongoing job training programs;

(2) $50,000 in each fiscal year to Opportunities Industrialization Center, Inc., in Rocky Mount, for its ongoing job training programs;

(3) $50,000 in each fiscal year to Pitt-Greenville Opportunities Industrialization Center, Inc., for its ongoing job training programs;

(4) $50,000 in each fiscal year to the Opportunities Industrialization Center of Lenoir, Green, and Jones Counties; and

(5) $50,000 in each fiscal year to the Opportunities Industrialization Center of Elizabeth City, Inc.

(b) The Rural Economic Development Center, Inc., shall:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:

a. State fiscal year 1996-97 program activities, objectives, and accomplishments;

b. State fiscal year 1996-97 itemized expenditures and fund sources;

c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997;

d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997.

(2) By January 15, 1999, and more frequently as requested, report to the Joint Legislative

Commission on Governmental Operations and the Fiscal Research Division the following information:

a. State fiscal year 1997-98 program activities, objectives, and accomplishments;

b. State fiscal year 1997-98 itemized expenditures and fund sources;

c. State fiscal year 1998-99 planned activities, objectives, and accomplishments including actual results through December 31, 1998;

d. State fiscal year 1998-99 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1998.

(3) Provide to the Fiscal Research Division a copy of the annual audited financial statements of the Opportunities Industrialization Centers funded by this act within 30 days of issuance of the statement.

CODE NO. 97NATRES-H014B

Requested by: Representative Carpenter

STUDY DESIRABILTY OF REORGANIZING DEPARTMENT OF ENVIRONMENT, HEALTH, AND NATURAL RESOURCES

Section @. (a) The Office of State Budget and Management shall review the programs, divisions, boards, commissions, councils, and committees currently within the Department of Environment, Health, and Natural Resources and shall conduct a study to determine the desirability of reorganizing the Department of Environment, Health, and Natural Resources so as to create two separate departments with one department that would manage and protect the State's natural resources and with a separate department that would protect the environment and the public health and contain regulatory programs. The study shall determine:

(1) A proposal for allocating existing administrative operating support and personnel between these two separate departments;

(2) Any additional personnel that would be needed in association with creating these two separate departments and the projected cost of the personnel;

(3) Any additional equipment that would be needed in association with creating these two separate departments and the projected cost of this equipment;

(4) Any additional office space that would be required and its projected cost;

(5) Which programs, divisions, boards, commissions, councils, and committees should be in a department of natural resources, which programs, divisions, boards, commissions, councils, and committees should be in a department of environment and health, and which programs, divisions, boards, commissions, councils, and committees, if any, should be in other departments;

(6) Any additional factors and costs that should be considered were the Department of Environment, Health, and Natural Resources reorganized so as to create these two separate departments; and

(7) The total costs of reorganizing the Department of Environment, Health, and Natural Resources so as to create these two separate departments.

(b) The Office of State Budget and Management shall recommend whether the Department of Environment, Health, and Natural Resources should be reorganized so as to create two separate departments, with one department that would manage and protect the State's natural resources and with a separate department that would protect the environment and public health and contain regulatory programs. By March 15, 1998, the Office of State Budget and Management shall report on all matters contained in subdivisions (1) through (7) of subsection (a) of this section to the Joint Legislative Commission on Governmental Operations, the Environmental Review Commission, and the Fiscal Research Division.

(c) If House Bill 478 of the 1997 Session of the General Assembly, Senate Bill 383 of the 1997 Session of the General Assembly, or substantially similar legislation that transfers health services to the Department of Human Resources is enacted by the General Assembly, the Office of State Budget and Management shall exclude from its study under this section the programs, divisions, boards, commissions, councils, and committees related to health services.

CODE NO. 97ENV-H012A-S13

Requested by: Representatives Mitchell, Baker, Carpenter, and H. Hunter

ENVIRONMENTAL EDUCATION GRANTS

Section @. (a) Of the funds appropriated in this act to the Department of Environment, Health, and Natural Resources, the sum of two hundred thousand dollars ($200,000) for the 1997-98 fiscal year shall be used to provide grants to promote environmental education throughout the State. Grants under this section may be awarded to:

(1) Schools, community organizations, and environmental education centers for the development of environmental education library collections; or

(2) School groups for field trips to environmental education centers across the State, provided the activities of the field trip are correlated with the Department of Public Instruction's curriculum objectives.

(b) The Department shall report to the Joint Legislative Commission on Governmental Operations, the Environmental Review Commission, and the Fiscal Research Division by January 1, 1998, and again by July 1, 1998, on the grant program. The report shall include a list of amounts awarded and project descriptions for each grant recipient.

CODE NO. 97NATRES-H004-S13.1

Requested by: Representatives Mitchell, Baker, Carpenter

GRASSROOTS SCIENCE PROGRAM

Section @. Of the funds appropriated in this act to the Department of Environment, Health, and Natural Resources for the Grassroots Science Program, the sum of six hundred thousand dollars ($600,000) for fiscal year 1997-98 and the sum of six hundred thousand dollars ($600,000) for fiscal year 1998-99 are allocated as grants-in-aid for each fiscal year as follows:

	1997-98	1998-99
Iredell County Children's Museum	$50,000	$50,000
Museum of Coastal Carolina	$50,000	$50,000
Rocky Mount Children's Museum	$50,000	$50,000
Imagination Station	$50,000	$50,000
Western North Carolina Nature Center	$15,000	$15,000
The Health Adventure Museum of Pack Place Education, Arts and Science Center, Inc.	$35,000	$35,000
Cape Fear Museum	$50,000	$50,000
Catawba Science Center	$50,000	$50,000
Sci Works Science Center and Environmental Park of Forsyth County	$50,000	$50,000
Natural Science Center of Greensboro	$50,000	$50,000
Schiele Museum of Natural History	$50,000	$50,000
North Carolina Museum of Life and Science	$50,000	$50,000
Discovery Place	$50,000	$50,000
TOTAL	$600,000	$600,000

CODE NO. 97NATRES-H005A

Requested by: Representatives Mitchell, Baker, Carpenter

FORESTRY AIRCRAFT LEASE RECEIPTS

Section @. The Division of Forest Resources, Department of Environment, Health, and Natural Resources shall use receipts received from the leasing of an amphibious water-scooping tanker aircraft to offset the operating costs associated with the aircraft. At the end of each fiscal year of the 1997-99 biennium after all receipts received for that fiscal year from the leasing of this aircraft have been applied to the operating costs associated with the aircraft for that fiscal year, any excess funds appropriated by the General Assembly for that fiscal year for the operating costs associated with this aircraft shall revert.

CODE NO. 97NATRES-H009C

Requested by: Representative Owens

STATE PARKS FORESTS MANAGEMENT PLANS

Section @. (a) G.S. 113-44.13 reads as rewritten:

"**§ 113-44.13. General management ~~plans.~~ plans; forest management plans.**

(a) Every park classified pursuant to G.S. 113-44.12 shall have a general management plan. The plan shall include a statement of purpose for the park based upon its relationship to the System Plan and its classification. An analysis of the major resources and facilities on hand to achieve those purposes shall be completed along with a statement of management direction. The general management plan shall be revised as necessary to comply with the System Plan and to achieve the purposes of this Article.

(b) The Division of Forest Resources and the Division of State Parks and Recreation shall cooperatively develop forest management plans for every park classified pursuant to G.S. 113-44.12. The park's forest management plan shall be included as a component of its general management plan under subsection (a) of this section. A forest management plan shall contain, at a minimum, provisions regarding fire control, insect and pest control, and timber management."

(b) G.S. 113-35(a) reads as rewritten:

"(a) Timber and other products of such State forestlands and timber of State parks may be sold, ~~cut~~ cut, and removed under rules of the Department. The Department ~~shall have authority to~~ may establish and operate forest tree nurseries and forest tree seed ~~orchards.~~ orchards in State forests. Forest tree seedlings and seed from these nurseries and seed orchards may be sold to landowners of the State for purposes of forestation under rules of the Department. When the Secretary determines that a surplus of seedlings or seed exists, this surplus may be sold, and such sale shall be in conformity with the following priority of sale: first, to agencies of the federal government for planting in the State of North Carolina; second, to commercial nurseries and nurserymen within this State; and third, without distinction, to federal agencies, to other states, and to recognized research organizations for planting either within or outside of this State. The Department shall ~~make~~ adopt reasonable rules for the regulation of the use by the public of such and all State forests, State parks, State lakes, game refuges and public shooting grounds under its charge, which rules, after having been

posted in conspicuous places on and adjacent to such properties of the State and at the courthouse of the county or counties in which such properties are situated shall have the force and effect of law and any violation of such rules shall constitute a Class 3 misdemeanor."

(c) G.S. 113-36 reads as rewritten:

"(a) Application of Proceeds Generally. -- Except as provided in subsection (b) of this section, all money received from the sale of wood, timber, minerals, or other products from the State forests shall be paid into the State treasury and to the credit of the Department; and such money shall be expended in carrying out the purposes of this Article and of forestry in general, under the direction of the Secretary. All moneys received from the sale of timber from the State parks shall be paid into the State treasury and to the credit of the Department; and this money shall be expended for capital improvements within the State Parks System."

CODE NO. 97NATRES-H007B

Requested by: Representatives Mitchell, Baker, and Carpenter

MARINE FISHERIES COMMISSION REFORM FUNDS

Section @. (a) Of the funds appropriated in this act to the Department of Environment, Health, and Natural Resources, the sum of two hundred forty-seven thousand four hundred seventy-five dollars ($247,475) for the 1997-98 fiscal year and the sum of two hundred thirty thousand four hundred seventy-five dollars ($230,475) for the 1998-99 fiscal year shall be used to provide funding for standing advisory committees and permanent staff for the Marine Fisheries Commission.

(b) The allocation of funds under subsection (a) of this section is contingent upon the enactment into law of Section 2.1 of House Bill 1097 (Second Edition) or identical legislation that reduces the membership of the Marine Fisheries Commission and requires the establishment of advisory committees for the Commission.

CODE NO. 97NATRES-H008A

Requested by: Representatives Mitchell, Baker, and Carpenter

MARINE FISHERIES INFORMATION TECHNOLOGY REPORT

Section @. The Division of Marine Fisheries of the Department of Environment, Health, and Natural Resources shall by March 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Seafood and Aquaculture, the Joint Legislative Commission on Governmental Operations, and the Fiscal Research Division the following information:

(1) An update on the consolidation and modernization of the Division's computer based management information systems.

(2) A list of objectives and performance measures for the information technologies improvement project, for each of the following phases of the project: development, implementation, and ongoing operation and maintenance of the new system.

(3) An explanation, justification, and itemized list of expenditures to date for consolidation and modernization of the Division's computer based management information systems.

(4) An explanation, justification, and estimate of any additional anticipated expenditures required beyond fiscal year 1997-98 to complete the project. If additional expenditures are required, then the Division shall provide a calendar based project schedule delineating the additional phases required including the associated expenditures for each additional project phase.

(5) A calendar based project schedule delineating the various phases of the project including development, implementation, and completion. This schedule shall identify the associated expenditures for each project phase.

CODE NO. 97NATRES-H010A

Requested by: Representatives Mitchell, Baker, and Carpenter

MARINE PATROL VESSEL

Section @. The Department of Environment, Health, and Natural Resources shall make a reasonable effort to obtain a marine patrol vessel from excess federal property. If the Department fails to obtain such a vessel from excess federal property, then the Department may use available funds for the 1997-99 biennium, not to exceed two hundred thousand dollars ($200,000) to complete the purchase of a marine patrol vessel.

CODE NO. 97ENV-H017A

Requested by: Representative Mitchell, Baker, and Carpenter

SHELLFISH REHABILITATION PROGRAM

Section @. The Oyster Rehabilitation Program in the Division of Marine Fisheries in the Department of Environment, Health, and Natural Resources shall be renamed the Shellfish Rehabilitation Program. Funds appropriated for the Oyster Rehabilitation Program or the Shellfish Rehabilitation Program shall be used for the Shellfish Rehabilitation Program. The Oyster, Clam, and Scallop Subcommittee of the Marine Fisheries Commission shall advise the Division of Marine Fisheries on the expenditure of Shellfish Rehabilitation Program funds. The Division of Marine Fisheries shall report to the Joint Legislative Commission on Seafood and Aquaculture on the expenditure of Shellfish Rehabilitation Program funds annually, beginning January 1, 1998.

CODE NO. 97ENV-H013

Requested by: Representatives Mitchell, Baker, and Carpenter

SOIL SURVEY SUPERVISOR ASSIGNMENT

Section @. The Department of Environment, Health, and Natural Resources shall assign a soil survey supervisor to complete soil surveys in Buncombe and Madison Counties. This position shall remain assigned to these counties until the soil surveys are complete.

CODE NO. 97NATRES-H003D

Requested by: Representatives Mitchell, Baker, Carpenter, H. Hunter

BEAVER DAMAGE CONTROL FUNDS

Section @. (a) Subsection (b) of Section 69 of Chapter 1044 of the 1991 Session Laws, as amended by Section 111 of Chapter 561 of the 1993 Session Laws, Section 27.3 of Chapter 769 of the 1993 Session Laws, Section 26.6 of Chapter 507 of the 1995 Session Laws, and Section 27.15 of Chapter 18 of the Session Laws of the 1996 Second Extra Session reads as rewritten:

"(b) The Beaver Damage Control Advisory Board shall develop a program to control beaver damage on private and public lands. Anson, Bertie, Bladen, Brunswick, Carteret, Chatham, Chowan, Craven, Columbus, Cumberland, Duplin, Edgecombe, Franklin, Gates, Granville, Greene, Halifax, Harnett, Hertford, Hoke, Johnston, Jones, Lee, Lenoir, Lincoln, Martin, Nash, Northampton, Onslow, Pamlico, Pender, Pitt, Robeson, Sampson, Scotland, Vance, Warren, Washington, Wayne, and Wilson Counties shall participate in the program. The Beaver Damage Control Advisory Board shall act in an advisory capacity to the Wildlife Resources Commission in the implementation of the program. In developing the program, the Board shall:

(1) Orient the program primarily toward public health and safety and toward landowner assistance, providing some relief to landowners through beaver control and management rather than eradication;

(2) Develop a priority system for responding to complaints about beaver damage;

(3) Develop a system for documenting all activities associated with beaver damage control, so as to facilitate evaluation of the program;

(4) Provide educational activities as a part of the program, such as printed materials, on-site instructions, and local workshops;

(5) Provide for the hiring of personnel necessary to implement beaver damage control activities, administer the program, and set salaries of personnel;

(6) Evaluate the costs and benefits of the program that might be applicable elsewhere in North Carolina.

No later than January 15, ~~1997,~~ of each year, the Board shall issue a report to the Wildlife Resources Commission on the

program to date, including recommendations on the feasibility of continuing the program in participating counties and the desirability of expanding the program into other counties. The Wildlife Resources Commission shall prepare a plan to implement a statewide program to control beaver damage on private and public lands. No later than March 15, ~~1997,~~ of each year, the Wildlife Resources Commission shall present its plan in a report to the House Appropriations Subcommittee on Natural and Economic Resources, the Senate Appropriations Committee on Natural and Economic Resources, and the Fiscal Research Division."

(b) Subsection (h) of Section 69 of Chapter 1044 of the 1991 Session Laws, as amended by Section 111 of Chapter 561 of the 1993 Session Laws, Section 27.3 of Chapter 769 of the 1993 Session Laws, Section 26.6 of Chapter 507 of the 1995 Session Laws, and Section 27.15 of Chapter 18 of the Session Laws of the 1996 Second Extra Session reads as rewritten:

"(h) Subsections (a) through (d) of this section expire June 30, ~~1997.~~ 1998."

(c) Of the funds available to the Wildlife Resources Commission for the 1997-98 fiscal year, up to the sum of four hundred fifty thousand dollars ($450,000) shall be used to provide the State share necessary to continue the beaver damage control program, provided the sum of twenty-five thousand dollars ($25,000) in federal funds is available for the 1997-98 fiscal year to provide the federal share. These funds shall be matched by four thousand dollars ($4,000) of local funds for the 1997-98 fiscal year from each of the participating counties. Counties participating in this program shall make a commitment of their local matching funds to the Wildlife Resources Commission no later than September 30, 1997.

CODE NO. 97NATRES-H011

Requested by: Representative Hall

AREA THREE SOIL AND WATER REGIONAL COORDINATOR

Section @. Of the funds appropriated by this act to the Department of Environment, Health, and Natural Resources the sum of forty-six thousand six hundred dollars ($46,600) for the 1997-98 fiscal year and the sum of forty-three thousand six hundred dollars ($43,600) for the 1998-99 fiscal year shall be allocated to support a new position and equipment needs of a regional coordinator for Area 3 of the State Soil and Water Conservation districts. Area 3 of the State Soil and Water Conservation districts includes the Neuse River Basin and the following 11 counties: Alamance, Caswell, Chatham, Guilford, Lee, Montgomery, Moore, Orange, Person, Randolph, and Rockingham.

CODE NO. 97ENV-H002A-S13.2

Requested by: Representatives Mitchell, Baker, Carpenter, and H. Hunter

ANIMAL WASTE COMPLIANCE PROGRAM REPORT

Section @. (a) No later than October 15, 1997, and quarterly thereafter, the Department of Environment, Health, and Natural Resources shall submit status reports to the Environmental Review Commission and the Fiscal Research Division. Each report shall include, but not be limited to:

(1) The number of permits for animal waste management systems, itemized by type of animal subject to such permits, issued since the last report and a total for that calendar year.

(2) The number of operations reviews of animal waste management systems that the Division of Soil and Water Conservation has conducted since the last report and a total for that calendar year.

(3) The number of operations reviews of animal waste management systems conducted by agencies other than the Division of Soil and Water Conservation that have been conducted since the last report and a total for that calendar year.

(4) The number of reinspections associated with operations reviews conducted by the Division of Soil and Water Conservation since the last report and a total for that calendar year.

(5) The number of reinspections associated with operations reviews conducted by agencies other than the Division of Soil and Water Conservation since the last report and a total for that calendar year.

(6) The number of compliance inspections of animal waste management systems that the Division of Water Quality has conducted since the last report and a total for that calendar year.

(7) The number of follow-up inspections associated with compliance inspections conducted by the Division of Water Quality since the last report and a total for that calendar year.

(8) The average length of time for each category of reviews and inspections under subdivisions (2) through (7) of this subsection.

(9) The number of violations found during each category of review and inspection under subdivisions (2) through (7) of this subsection, the status of enforcement actions taken and pending, and the penalties imposed, collected, and in the process of being negotiated for each such violation.

(b) The information to be included in the reports pursuant to subsection (a) of this section shall be itemized by each regional office of the Department, with totals for the State indicated.

CODE NO. 97ENV-H026A

Requested by: Representative Mitchell

ANIMAL WASTE MANAGEMENT SYSTEM GENERAL PERMIT REVISIONS

Section @. (a) The interagency group created in Section 18 of Chapter 626 of the 1995 Session Laws and the Department of Environment, Health, and Natural Resources shall, by October 1, 1997, cooperatively revise the general permits for animal waste management systems that were previously developed by the Department and accordingly revise the proposed time schedule for issuing these general permits. The provisions of the revised general permits shall be more flexible for the farmer and more practical for the farmer to implement and shall not conflict with the site-specific certified animal waste management plans. The interagency group and the Department may refer to House Bill 357 of the 1997 Regular Session of the General Assembly for guidance in determining the issues that need to be addressed in the revision process. By October 1, 1997, the interagency group and the Department shall submit a joint report of the revised general permits and the revised time schedule for issuing these permits to the Environmental Review Commission.

(b) Subsection (c) of Section 19 of Chapter 626 of the 1995 Session Laws reads as rewritten:

"(c)(1) G.S. 143-215.10C, as enacted by Section 1 of this act, becomes effective January 1, 1997. In order to ensure an orderly and cost-effective phase-in of the permit program, the Department of Environment, Health, and Natural Resources shall issue permits for animal operations over a five-year period. ~~The~~ Subject to subdivision (5) of this subsection, the Department shall issue permits for approximately twenty percent (20%) of the animal waste management facilities that are in operation on January 1, 1997, during each of the five calendar years beginning January 1, 1997, and shall give priority to those animal waste management systems serving the largest animal operations. An animal waste management system that is deemed permitted by rule on January 1, 1997, under 15A N.C.A.C. 2H.0217 may continue to operate on a deemed permitted

basis as provided in ~~subsection (b) of this section.~~ subdivision (2) of this subsection.

(2) In accordance with its phase-in schedule, the Department shall notify each owner or operator of an animal waste management system that is deemed permitted of the date by which an application for a permit for that animal waste management system shall be submitted by certified mail. An owner or operator of an animal waste management system who fails to submit an application for a permit by the date specified by the Department shall not operate the animal waste management system after that date. ~~An~~ Subject to subdivision (5) of this subsection, an animal waste management system that is authorized to continue operation under this section and for which a timely application for a permit is submitted may continue to operate on a deemed permitted basis until the Department either issues a permit or notifies the owner or operator that the application for a permit is denied. An animal waste management system that is deemed permitted shall be subject to the annual operational review and annual inspection requirements as though it were permitted.

(3) The Department shall act on an application for a permit for a new facility or for the expansion of an existing facility within 90 days after the Department receives the application.

(4) Notwithstanding G.S. 143-215.10C (a) through (d), a dry litter animal waste management system involving 30,000 or more birds shall continue to operate on a deemed permitted basis by rule under 15A N.C.A.C. 2H.0217 and shall comply with the animal waste management plan testing and record-keeping requirements by January 1, ~~1998.~~ 2000.

(5) Any dairy facility in operation on or before February 1, 1993 shall continue to be deemed permitted under 15A N.C.A.C. 2H.0217 and is not required to obtain a permit in accordance with G.S. 143-215.10C so long as both of the following are satisfied:

a. That facility obtains a certified animal waste management plan by December 31, 1997, or the operator of that facility and the

Environmental Management Commission enter into a special agreement pursuant to Section 14(b) of Chapter 626 of the 1995 Session Laws.

b. That facility remains in compliance with the certified animal waste management plan or the special agreement, whichever applies.

The Department shall issue permits for approximately twenty percent (20%) of the dairy facilities in operation after February 1, 1993, but on or before January 1, 1999, during each of the five calendar years beginning January 1, 1999, and shall give priority to those animal waste management systems serving the largest dairies. An animal waste management system for a dairy facility in operation after February 1, 1993, but on or before January 1, 1999, that is deemed permitted by rule under 15A N.C.A.C. 2H.0217 may continue to operate on a deemed permitted basis as provided in subdivision (2) of this subsection. Dairy facilities that are constructed or expanded on or after January 1, 1999, shall be required to obtain a permit in accordance with G.S. 143-215.10C prior to the construction or expansion."

(c) After the revised general permits are adopted, the Department shall issue the revised general permit to all animal waste management operations currently holding general permits.

CODE NO. 97ENV-H004-S13.4

Requested by: Representatives Mitchell, Baker, and Carpenter

ODOR CONTROL STUDY FUNDS

Section @. Of the funds appropriated to the Department of Environment, Health, and Natural Resources for the 1996-97 fiscal year and transferred to the Board of Governors of The University of North Carolina for the North Carolina Agricultural Research Service at North Carolina State University for research into economically feasible odor control technologies and for a detailed economic analysis of odor management alternatives, the sum of six hundred thousand dollars ($600,000) shall not revert to the General Fund on June 30, 1997. These funds shall remain in the budget of North Carolina State University for expenditure by the North Carolina Agricultural Research Service during the 1997-98 fiscal year. These funds may be used for capital expenditures to construct current technology swine production facilities for the purpose of research in adapting or developing new odor control technologies. The use of these funds for capital expenditures shall be authorized without any requirement of matching funds from private sources.

CODE NO. 97ENV-H005C-S13.6

Requested by: Representatives Mitchell, Baker, and Carpenter

SUPERFUND PROGRAM/INACTIVE HAZARDOUS SITES FUNDS

Section @. (a) The Department of Environment, Health, and Natural Resources may use available funds, with the approval of the Office of State Budget and Management, to provide the ten percent (10%) cost share required for Superfund cleanups on the National Priority List sites, to pay the operating and maintenance costs associated with these Superfund cleanups, and for the cleanup of priority inactive hazardous substance or waste disposal sites under Part 3 of Article 9 of Chapter 130A of the General Statutes. These funds may be in addition to those appropriated for this purpose.

(b) The Department of Environment, Health, and Natural Resources and the Office of State Budget and Management shall report to the Environmental Review Commission and the Joint Legislative Commission on Governmental Operations the amount and the source of the funds used pursuant to subsection (a) of this section within 30 days of the expenditure of these funds.

CODE NO. 97ENV-H006-S13.7

Requested by: Representatives Mitchell, Baker, and Carpenter

FUNDS FOR VOLUNTARY REMEDIAL ACTIONS

Section @. (a) During the 1997-99 fiscal biennium, the Secretary of Environment, Health, and Natural Resources may contribute from the Inactive Hazardous Sites Cleanup Fund up to ten percent (10%) of the cost each fiscal year, not to exceed fifty thousand dollars ($50,000) per site, of implementing a voluntary remedial action program at up to three high-priority sites that substantially endanger public health or the environment.

(b) No later than April 1 of each year of the 1997-99 fiscal biennium, the Department of Environment, Health, and Natural Resources shall report to the General Assembly. Each report shall contain the location of the sites for which a voluntary remedial action program was implemented under subsection (a) of this section, the rationale for the State contributing to the cost of that remedial action, and the amount of the contribution made from the Inactive Hazardous Sites Cleanup Fund.

CODE NO. 97ENV-H007A-S13.8

Requested by: Representatives Mitchell, Baker, Carpenter, and H. Hunter

POLLUTION PREVENTION AND ENVIRONMENTAL ASSISTANCE TO SMALL BUSINESSES WITH NEED

Section @. The Division of Pollution Prevention and Environmental Assistance shall, to the extent feasible, give greatest priority to small businesses that can demonstrate financial need when the Division of Pollution Prevention and Environmental Assistance awards grants or otherwise provides technical or financial assistance.

CODE NO. 97ENV-H008-S13.9

Requested by: Representatives Mitchell, Baker, and Carpenter

PERMIT INFORMATION CENTER

Section @. The Department of Environment, Health, and Natural Resources may use any available funds to operate a permit information center within the Department to improve permit applications, guidance materials, applicant and citizen training, and for other related purposes.

CODE NO. 97ENV-H009-S13.10

Requested by: Representatives Mitchell, Baker, and Carpenter

AGRICULTURE WASTE RESEARCH REPORTS

Section @. The Primary Investigator or Researcher receiving funding from the State pursuant to Section 2 of Chapter 18 of the Session Laws of the 1996 Second Extra Session for each of the following research projects and studies shall provide a progress report to the Environmental Review Commission, the Joint Legislative Commission on Governmental Operations, the Scientific Advisory Council on Water Resources and Coastal Fisheries Management, and the Fiscal Research Division on January 1 and July 1 of each year until the project or study is complete:

(1) Odor control technology.

(2) Sources of nitrogen through isotope markers.

(3) Groundwater impacts of lagoons.

(4) Atmospheric deposition of nitrogen in the Neuse Estuary.

(5) Alternative animal waste technologies.

Upon completion of the project or study, the Primary Investigator or Researcher shall provide a final report.

CODE NO. 97ENV-H023-S13.11

Requested by: Representatives Mitchell, Baker, and Carpenter

TOWN FORK CREEK SOIL CONSERVATION PROJECT

Section @. (a) The funds placed in a reserve account in the Department of Environment, Health, and Natural Resources pursuant to Section 26.3(c) of Chapter 507 of the 1995 Session Laws shall not revert until June 30, 1999. Those funds are reallocated as follows:

(1) Five hundred four thousand five hundred sixty dollars ($504,560) to the Stokes County Water and Sewer Authority, Inc., for the Germanton Water Project.

(2) Nine hundred thirty thousand six hundred eighty dollars ($930,680) to the Stokes County Water and Sewer Authority, Inc., for the Madison Connection Project.

(3) Eighty thousand dollars ($80,000) to the Stokes County Water and Sewer Authority, Inc., for the Dan River Project.

(4) Thirty thousand dollars ($30,000) to the Department of Environment, Health, and Natural Resources for the Limestone Creek small watershed project in Duplin County.

(5) Three hundred forty thousand six hundred forty dollars ($340,640) to the Department of Environment, Health, and Natural Resources for the Deep Creek small watershed project in Yadkin County.

(b) The Department of Environment, Health, and Natural Resources and the Stokes County Water and Sewer Authority, Inc., shall report by October 1 and March 1 of each fiscal year to the Joint Legislative Commission on Governmental Operations, the Fiscal Research Division of the General Assembly, and the Office of State Budget and Management regarding the use of the funds reallocated by this section. Each report shall include all of the following:

(1) The estimated cost of each project.

(2) The date that work on each project began or is expected to begin.

(3) The date that work on each project was completed or is expected to be completed.

(4) The actual cost of each project.

CODE NO. 97ENV-H001

Requested by: Representatives Mitchell, Baker, Carpenter, and Yongue

MEADOW BRANCH WATER PROJECT AND DEEP CREEK PROJECT FUNDS DO NOT REVERT

Section @ Section 107(b) of Chapter 561 of the 1993 Session Laws as rewritten by Section 26.1 of Chapter 507 of the 1995 Session Laws reads as rewritten:

"(b) Where the actual costs are different from the estimated costs under subsection (a) of this section, the Department may adjust the allocations among projects as needed. If any projects listed in subsection (a) of this section are delayed and the budgeted State funds cannot be used during the 1993-94 fiscal year, or if the projects listed in subsection (a) of this section are accomplished at a lower cost, the Department may use the resulting fund availability to fund:

(1) Corps of Engineers project feasibility studies, or

(2) Corps of Engineers projects whose schedules have advanced and require State matching funds in fiscal year 1993-94, or

(3) State-local Water Resources Development Projects.

Funds, except those allocated in subdivisions (a)(14), (15), (16), and (17) of this section, not expended or encumbered for these purposes shall revert to the General Fund at the end of the 1994-95 fiscal year. The funds allocated in subdivisions (a)(14), ~~(15), (16), and (17)~~ and (16) of this section shall not revert until June 30, 1997. The funds allocated in subdivisions (15) and (17) of this section shall not revert until June 30, 1999."

CODE NO. 97ENV-H022

Requested by: Representative Culp

RANDLEMAN DAM FUNDS DO NOT REVERT

Section @. Subsection (c) of Section 8 of Chapter 777 of the 1993 Session laws as rewritten by Section 26.2 of Chapter 507 of the 1995 Session Laws reds as rewritten:

"(c) All funds appropriated in Chapter 769 of the 1993 Session Laws for the construction of Randleman Dam shall revert to the General Fund on ~~October 1, 1997,~~ October 1, 1999, if construction has not begun before that date."

CODE NO. 97ENV-H014-S13.15

Requested by: Representatives Mitchell, Baker, and Carpenter

WATER QUALITY PERMIT PROGRAMS/RESERVE FUNDS

Section @. (a) Of the funds appropriated to the Department of Environment, Health, and Natural Resources by this act for the 1997-98 fiscal year, the sum of one million dollars ($1,000,000) shall be held in reserve within the Department.

(b) Of those funds held in reserve, the sum of one hundred fifty thousand dollars ($150,000) shall be used to replace federal construction grant funds when the federal funds cease for the support of three positions in the Division of Water Quality, Department of Environment, Health, and Natural Resources.

(c) The remaining eight hundred fifty thousand dollars ($850,000) held in reserve is to offset a possible permit receipt shortfall for the water quality programs for unrealized revenue up to two million nine hundred fifty thousand dollars ($2,950,000).

Subject to approval by the Office of State Budget and Management, the Department may use the reserve funds during the 1997-98 fiscal year in accordance with this subsection. The eight hundred fifty thousand dollars ($850,000) in reserve may be used to provide the necessary cash flow for the water quality programs during the fiscal year if receipts during the fiscal year are insufficient to cover water quality program expenditures. The reserve funds shall be used only for the water quality programs administered by the Water Quality Section of the Water Quality Division.

At the end of the 1997-98 fiscal year:

(1) If the receipts generated by the water quality permit programs for the 1997-98 fiscal year are less than two million nine hundred fifty thousand dollars ($2,950,000), then the Water Quality Section may retain from the reserve an amount equal to the difference between two million nine hundred fifty thousand dollars ($2,950,000) and actual water quality permit receipts for the 1997-98 fiscal year, not to exceed eight hundred fifty thousand dollars ($850,000).

(2) If the receipts generated by the water quality permit programs for the 1997-98 fiscal year are two million nine hundred fifty thousand dollars

($2,950,000) or more, then the Water Quality Section shall not retain any funds from the reserve.

(d) All receipts, State funds, and federal funds that are budgeted for the Water Quality Section of the Water Quality Division, Department of Environment, Health, and Natural Resources, shall be used only for the Water Quality Section and the water quality programs administered by that section and shall not be transferred or used for any other purpose.

(e) For purposes of this section, "water quality permits" means all permits issued under Part 1 of Article 21 of Chapter 143 of the General Statutes that are administered by the Water Quality Section of the Water Quality Division, Department of Environment, Health, and Natural Resources.

CODE NO. 97ENV-H015A-S13.16

Requested by: Representatives Mitchell, Baker, and Carpenter

FEDERAL FUNDS FOR WATER QUALITY INDIRECT COSTS USED FOR WATER QUALITY

Section @. Federal funds received by the Department of Environment, Health, and Natural Resources received as federal indirect cost receipts associated with the federal Environmental Protection Agency "106" water quality grant may be credited to and used by the Water Quality Section of the Water Quality Division for the permit programs and activities administered by that section.

CODE NO. 97ENV-H018B

Requested by: Representatives Mitchell, Baker, and Carpenter

STATE MATCH FOR FEDERAL SUPPLY AND WASTEWATER ASSISTANCE FUNDS

Section @. For the 1997-98 fiscal year, of the funds reserved under G.S. 143-15.3B to the Clean Water Management Trust Fund, the State Controller shall transfer the sum of thirteen million two hundred twenty-four thousand five hundred ninety-five dollars ($13,224,595) to the Department of Environment, Health, and Natural Resources to be allocated as follows:

(1) The sum of four million one thousand seven hundred seventy-five dollars ($4,001,775) shall be used for the twenty percent (20%) State match required to receive federal wastewater assistance funds for revolving construction loans and other assistance as set forth in Chapter 159G of the General Statutes. The funds allocated under this section shall be deposited in the State Revolving Water Fund account of the Clean Water Pollution Control Revolving Fund.

(2) The sum of nine million two hundred twenty-two thousand eight hundred twenty dollars ($9,222,820) shall be used for the twenty percent (20%) State match required to receive federal water supply assistance funds for revolving construction loans and other assistance as set forth in Title I, section 130 of the federal Safe Drinking Water Act Amendments of 1996. The funds allocated under this section are to be deposited in a State fund that is available from year to year for the purpose of providing revolving loans and grants to local government units for water supply assistance.

CODE NO. 97ENV-H025B

Requested by: Representative Baker

SOLID WASTE OPERATOR COURSE EXEMPT

Section @. G.S. 130A-309.25 is amended by adding a new subsection to read:

"(f) This section does not apply to any operator of a solid waste management facility who has five years continuous experience as an operator of a solid waste management facility immediately preceding January 1, 1998, provided that the operator attends a course and completes the continuing education requirements approved by the Department."

CODE NO. 97ENV-H010A-S13.19

Requested by: Representatives Mitchell, Baker, Carpenter, and H. Hunter

PARTNERSHIP FOR THE SOUNDS

Section @. (a) Subject to subsection (c) of this section, the Partnership for the Sounds shall, no later than January 15, 1998, submit a report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division that provides the following information:

(1) Program activities, objectives, and accomplishments for the 1996-97 fiscal year;

(2) Itemized expenditures and fund sources for the 1996-97 fiscal year;

(3) Planned activities, objectives, and accomplishments for the 1997-98 fiscal year, including actual results through December 31, 1997; and

(4) Estimated itemized expenditures and fund sources for the 1997-98 fiscal year, including actual expenditures and fund sources through December 31, 1997.

(b) Subject to subsection (c) of this section, the Partnership for the Sounds shall, no later than January 15, 1999, submit a report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division that provides the following information:

(1) Program activities, objectives, and accomplishments for the 1997-98 fiscal year;

(2) Itemized expenditures and fund sources for the 1997-98 fiscal year;

(3) Planned activities, objectives, and accomplishments for the 1998-99 fiscal year, including actual results through December 31, 1998; and

(4) Estimated itemized expenditures and fund sources for the 1998-99 fiscal year, including actual expenditures and fund sources through December 31, 1998.

(c) The Partnership for the Sounds shall provide additional reports to the Joint Legislative Commission on Governmental Operations or the Fiscal Research Division upon request.

(d) The Partnership for the Sounds shall provide a copy of its annual audited financial statement to the Fiscal

Research Division within 30 days of issuing the financial statement.

CODE NO. 97HLTH-H013

Requested by: Representatives Mitchell, Baker, Carpenter

COMMUNICABLE DISEASE CONTROL AID TO COUNTIES FLEXIBILITY

Section @. (a) For the 1997-98 and 1998-99 fiscal years, the Department of Environment, Health, and Natural Resources may combine and allocate funds appropriated for Aid to Counties in the Acute Communicable Disease Control Fund, the Tuberculosis Control Fund, and the Sexually Transmitted Disease Control Fund into one Acute Communicable Disease Control Aid to Counties Grant. Communicable Disease Aid to Counties funding to local health departments and other authorized recipients will be based on a general communicable disease formula to be developed by the Department of Environment, Health, and Natural Resources.

(b) The Department of Environment, Health, and Natural Resources, in conjunction with local health departments, will maintain a system to monitor and identify Aid to Counties communicable disease expenditures by each communicable disease group. The Department shall report to the Joint Legislative Commission on Governmental Operations not later than October 1, 1997, and annually thereafter, on Aid to Counties expenditures by county for each communicable disease group and the purpose of the expenditures for the fiscal year. The report shall also include an evaluation of the effectiveness of combining Aid to Counties funding into one grant fund and the effectiveness of the formula used to allocate funds.

CODE NO. 97HLTH-H002

Requested by: Representatives Mitchell, Baker, Carpenter

DWI TEST CHANGES

Section @. (a) For the 1997-98 and 1998-99 fiscal years, any funds collected under G.S. 20-16.5(j) that are designated for the chemical alcohol testing program of the Injury Control Section of the Department of Environment, Health, and Natural Resources and are not needed for that program shall be transferred annually to the Governor's Highway Safety Program for grants to local law enforcement agencies for training and enforcement of the laws on driving while impaired. The Governor's Highway Safety Program shall expend funds transferred to it under this section within 13 months of receipt of the funds. Amounts received by the Governor's Highway Safety Program shall not revert until the June 30 following the 13-month period.

(b) Notwithstanding G.S. 143-23(a1)(3), if the total requirements for the 1997-98 and 1998-99 fiscal years for the statewide chemical alcohol testing program exceed funds appropriated in this act for the program, then the Injury Control Section may use funds in accordance with G.S. 20-16.5(j) to fund the chemical alcohol testing program requirements in excess of the General Fund appropriation, provided that total expenditures for the 1997-98 and 1998-99 fiscal years for the chemical alcohol testing program shall not exceed amounts collected under G.S. 20-16.5(j) and designated for the chemical alcohol and testing program.

CODE NO. 97HLTH-H015

Requested by: Representatives Mitchell, Baker, and Carpenter

STATE TRAINING/ENVIRONMENTAL HEALTH SPECIALISTS

Section @. The Department of Environment, Health, and Natural Resources shall improve the initial training provided to environmental health specialists serving as agents of the State. The Department shall utilize modern technology and training techniques for improving the training program. The Department shall make a progress report on the training program to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division not later than July 1, 1998.

CODE NO. 97HLTH-H003A

Requested by: Representatives Mitchell, Baker, Carpenter

CHILDHOOD LEAD EXPOSURE CONTROL

Section @. (a) Of the funds appropriated in this act to the Department of Environment, Health, and Natural Resources, the sum of two hundred thirty-seven thousand seventy-nine dollars ($237,079) for the 1997-98 fiscal year and the sum of two hundred ten thousand eight hundred seventy-nine dollars ($210,879) for the 1998-99 fiscal year shall be used to expand the State's Childhood Lead Poisoning Prevention Program.

(b) The allocation of funds under subsection (a) of this section is contingent upon the enactment into law of House Bill 1007, Senate Bill 806, or identical legislation, 1997 General Assembly.

CODE NO. 97HLTH-H004

Requested by: Representatives Mitchell, Baker, Carpenter

EXTEND HEART DISEASE AND STROKE PREVENTION TASK FORCE

Section @. Subsections (l) and (m) of Section 26.9 of Chapter 507 of the 1995 Session Laws read as rewritten:

"(l) The Task Force shall submit to the Governor and to the General Assembly a preliminary report by January 1, 1996; an interim report within the first week of the convening of the 1997 General Assembly; a second interim report within the first week of the convening of the 1997 General Assembly, Regular Session 1998; a third interim report within the first week of the convening of the 1999 General Assembly, and a final report by ~~October 1, 1997.~~ June 30, 1999. The reports shall address the Plan, actions and resources needed to fully implement the Plan, and progress in achieving implementation of the Plan to reduce the occurrence of and burden from heart disease and stroke in North Carolina. The reports shall include an accounting of funds expended and anticipated funding needs for full implementation of recommended plans and programs.

(m) Upon submission of its final report to the Governor and the ~~1997~~ 1999 General Assembly, the Task Force shall expire."

CODE NO. 97HLTH-H005A

Requested by: Representatives Mitchell, Baker, Carpenter

CANCER CONTROL FUNDS

Section @. Of the funds appropriated in this act to the Department of Environment, Health, and Natural Resources, the sum of three hundred fifty thousand dollars ($350,000) for the 1997-98 fiscal year and the sum of two hundred fifty thousand dollars ($250,000) for the 1998-99 fiscal year shall be allocated for promoting the prevention, early detection, data collection, coordination, and optimal care in the control of cancer. Purposes for which funds appropriated under this section may be used include a total of five full-time positions for the Central Cancer Registry, the Division of Health Promotion, and the Advisory Committee on Cancer Coordination and Control. Funds shall be allocated upon the advice of the Advisory Committee on Cancer Coordination and Control. The Department shall report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division by February 1, 1998 on the allocation and use of the funds.

These funds are appropriated to honor the memory of Dr. John Kernodle.

CODE NO. 97HLTH-H006A

Requested by: Representatives Mitchell, Baker, Carpenter, H. Hunter

IMMUNIZATION PROGRAM FUNDING

Section @. (a) Of the funds appropriated to the Department of Environment, Health, and Natural Resources for the 1997-99 fiscal biennium for childhood immunization programs for positions, operating support, equipment, and pharmaceuticals, the sum of up to one million dollars ($1,000,000) each fiscal year may be used for projects and activities that are also designed to increase childhood immunization rates in North Carolina. These projects and activities shall include the following:

(1) Outreach efforts at the State and local levels to improve service delivery of vaccines. Outreach efforts may include educational seminars, media advertising, support services to parents to enable children to be transported to clinics, longer operating hours for clinics, and mobile vaccine units; and

(2) Continued development of an automated immunization registry.

(b) Funds authorized to be used for immunization efforts under subsection (a) of this section shall not be used to fund additional State positions in the Department of Environment, Health, and Natural Resources.

CODE NO. 97HLTH-H007A

Requested by: Representatives Mitchell, Baker, Carpenter, H. Hunter

WIC PROGRAM FUNDS

Section @. Of the funds appropriated to the Department of Environment, Health, and Natural Resources for the Women, Infants, and Children (WIC) Program, the sum of one million two hundred eighty thousand dollars ($1,280,000) for the 1997-98 fiscal year and the sum of one million two hundred eighty thousand dollars ($1,280,000) for the 1998-99 fiscal year shall, if sufficient federal food funds are available, be used for the WIC Program as follows:

(1) Not more than $500,000 in each fiscal year shall be used to establish new WIC Programs in Head Start or other private or public nonprofit agencies to serve additional mothers, infants, and children. The Department shall utilize these funds for local program operations including staff to provide eligibility determination, nutrition education, and health care referrals. In selecting the new WIC Programs, the Department shall consider accessibility to the target population including location and hours of operation.

(2) Not more than $250,000 in each fiscal year shall be used to renovate facilities of existing programs where space constraints limit program expansion, and to fund rental costs in areas where accessible donated space is not available. In selecting the facilities the Department shall consider accessibility to the target population including location and extended hours of operation. In determining whether to fund rental of space, the Department shall ensure that options for using donated accessible space have been considered. Not more than $75,000 of funds allocated under this subdivision for each fiscal year shall be used for rental of space.

(3) Not more than $300,000 in each fiscal year shall be used to purchase physician-prescribed special formulas and nutritional supplements for infants, children, and women.

(4) Not more than $60,000 in each fiscal year shall be used to provide the required State match to the WIC farmers' market project.

(5) Not more than $170,000 in each fiscal year shall be used for the purpose of establishing and maintaining a Public Health Nutritionist Internship Program.

If sufficient federal food funds are not available then funds appropriated for the WIC Program under this section shall be used to supplement federal food funds and any balance in funds remaining after the supplemental use shall be used in accordance with subdivisions (1) through (5) of this section.

CODE NO. 97HLTH-H008A

Requested by: Representatives Mitchell, Baker, Carpenter, H. Hunter

ADOLESCENT PREGNANCY PREVENTION COALITION OF NC/REPORTING

Section @. The Adolescent Pregnancy Prevention Coalition of N.C. shall:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1996-97 program activities, objectives, and accomplishments;
   b. State fiscal year 1996-97 itemized expenditures and fund sources;
   c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997; and
   d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997.

(2) By January 15, 1999, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:
   a. State fiscal year 1997-98 program activities, objectives, and accomplishments;
   b. State fiscal year 1997-98 itemized expenditures and fund sources;
   c. State fiscal year 1998-99 planned activities, objectives, and accomplishments including actual results through December 31, 1998; and
   d. State fiscal year 1998-99 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1998.

(3) Provide to the Fiscal Research Division a copy of the Coalition's annual audited financial statement within 30 days of issuance of the statement.

CODE NO. 97HLTH-H009

Requested by: Representatives Mitchell, Baker, Carpenter

NORTH CAROLINA HEALTHY START FOUNDATION/REPORTING

Section @. The North Carolina Healthy Start Foundation shall:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:

a. State fiscal year 1996-97 program activities, objectives, and accomplishments;

b. State fiscal year 1996-97 itemized expenditures and fund sources;

c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997; and

d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997.

(2) Provide to the Fiscal Research Division a copy of the Foundation's annual audited financial statement within 30 days of issuance of the statement.

CODE NO. 97HLTH-H010A

Requested by: Representatives Mitchell, Baker, Carpenter, H. Hunter

PREVENT BLINDNESS, INC./REPORTING

Section @. Prevent Blindness, Inc., shall:

(1) By January 15, 1998, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division the following information:

a. State fiscal year 1996-97 program activities, objectives, and accomplishments;

b. State fiscal year 1996-97 itemized expenditures and fund sources;

c. State fiscal year 1997-98 planned activities, objectives, and accomplishments including actual results through December 31, 1997; and

d. State fiscal year 1997-98 estimated itemized expenditures and fund sources including actual expenditures and fund sources through December 31, 1997.

(2) Provide to the Fiscal Research Division a copy of the Prevent Blindness, Inc., annual audited financial statement within 30 days of issuance of the statement.

CODE NO. 97HLTH-H011A

Requested by: Representatives Mitchell, Baker, Carpenter

FEDERAL ABSTINENCE EDUCATION FUNDS

Section @. If federal funds are received under the Maternal and Child Health Block Grant for abstinence education, pursuant to Sec. 912 of Public Law 104-193 (42 U.S.C. 710), for the 1997-98 or the 1998-99 fiscal year, or both, then those funds shall be transferred to and administered by the State Board of Education.

CODE NO. 97NATRES-H015B

Requested by: Representative Owens

DEHNR LAW ENFORCEMENT PAY STUDY BY THE OFFICE OF STATE PERSONNEL

Section @. (a) The Office of State Personnel shall study employee classifications, salary schedules, pay equities, and pay inequities for sworn law enforcement personnel certified by the North Carolina Criminal Justice Training and Standards Commission who are employed in the Department of Environment, Health, and Natural Resources Division of Parks and Recreation, in comparison to law enforcement officers employed in the Division of Marine Fisheries and the Wildlife Resources Commission. The study by the Office of State Personnel shall consider appropriate factors related to the compensation of law enforcement officers in the Division of Parks and Recreation as compared to law enforcement officers in the Division of Marine Fisheries and the Wildlife Resources Commission, including job specifications and qualifications, the compensation of personnel in accordance with educational levels and years of experience, and the equity of compensation among law enforcement personnel in the Division of Parks and Recreation as compared to the Division of Marine Fisheries and the Wildlife Resources Commission.

(b) The Office of State Personnel shall report its findings and recommendations to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division by January 15, 1998.

CODE NO. 97NATRES-H004A-S13.1

Requested by: Representative Mitchell

GRASSROOTS SCIENCE PROGRAM

Section @. Of the funds appropriated in this act to the Department of Environment, Health, and Natural Resources for the Grassroots Science Program, the sum of six hundred thousand dollars ($600,000) for fiscal year 1997-98 and the sum of six hundred thousand dollars ($600,000) for fiscal year 1998-99 are allocated as grants-in-aid for each fiscal year as follows:

	1997-98	1998-99
Iredell County Children's Museum	$50,000	$50,000
Museum of Coastal Carolina	$50,000	$50,000
Rocky Mount Children's Museum	$50,000	$50,000
Imagination Station	$50,000	$50,000
Western North Carolina Nature Center	$25,000	$25,000
The Health Adventure Museum of Pack Place Education, Arts and Science Center, Inc.	$25,000	$25,000
Cape Fear Museum	$50,000	$50,000
Catawba Science Center	$50,000	$50,000
Sci Works Science Center and Environmental Park of Forsyth County	$50,000	$50,000
Natural Science Center of Greensboro	$50,000	$50,000
Schiele Museum of Natural History	$50,000	$50,000
North Carolina Museum of Life and Science	$50,000	$50,000
Discovery Place	$50,000	$50,000
TOTAL	$600,000	$600,000

CODE NO. 97AGRIC-H010

Requested by: Representatives Mitchell, Baker, Carpenter

WILSON FARMERS MARKET/ROCKY MOUNT ECONOMIC DEVELOPMENT

Section @. Section 94 of Chapter 561 of the 1993 Session Laws reads as rewritten:

"Sec. 94. ~~(a)~~ The seven hundred thousand dollars ($700,000) appropriated in Section 4 of Chapter 1014 of the 1985 Session Laws and allocated in Section 158(b) of Chapter 1014 of the 1985 Session Laws, as amended by Section 137(a) of Chapter 738 of the 1987 Session Laws, Section 154 of Chapter 1086 of the 1987 Session Laws, and Section 34 of Chapter 1100 of the 1987 Session Laws, to the Rocky Mount Business Development Authority for the agricultural complex located at Fountain ~~Park in Section 137(a) of Chapter 738 of the 1987 Session Laws, as amended by Section 154 of Chapter 1086 of the 1987 Session Laws and Section 34 of Chapter 1100 of the 1987 Session Laws, the sum of seven hundred thousand dollars ($700,000) may be loaned to a city which is located in two counties so as to allow that city to establish a Farmer's Market in the vicinity of the old Fenner's Warehouse No. 1 on the North Church Street corridor.~~

~~(b) This no-interest loan shall be repaid by the city to the Rocky Mount Business Development Authority (RMBDA) over the next seven years at the rate of one hundred thousand dollars ($100,000) per year or at a rate necessary to support the cash flow requirement for planning and constructing a processing facility at Fountain Park.~~

~~(c) The Rocky Mount Business Development Authority (RMBDA) shall provide a grant of all interest accrued to date, less expenses, on the seven hundred thousand dollar ($700,000) appropriation to the Rocky Mount/Edgecombe Community Development Corporation (RMECDC) for the South Washington Street Revitalization Project.~~

~~(d) The City of Rocky Mount shall organize the Rocky Mount Business Development Authority (RMBDA) such that the Authority assists in planning and construction of a vegetable and fruit processing facility in Fountain Park before January 1, 2001. This processing facility shall have the capability to, at least: cool, wash, wax, grade, sort, package, and store for transit the commercial produce of local farm families. The facility shall provide facilities for unloading harvested farm fruits and vegetables, loading surface transport with packaged fruits and vegetables, and supporting brokerage operations. RMBDA may use~~

~~the funds repaid to it under subsection (b) of this section for the purposes of this subsection.~~ Park shall be used as follows:

(1) $300,000 shall be used for the construction of a farmer's market in Wilson County; and

(2) The remaining funds shall be transferred to the City of Rocky Mount to be used for economic development in the downtown area of the city."

Minutes

House Appropriations Sub-Committee on

Natural and Economic Resources

June 11, 1997 - 9:15 a.m.

The House Appropriations Sub-Committee on Natural and Economic Resources met Wednesday, June 11, 1997, at 9:15 a.m. in Room 605 of the Legislative Office Building. Representative Rex Baker, House Co-Chair, called the meeting to order at 9:15 a.m. Members present were Representatives Baker, Mitchell, Carpenter, Hall, H. Hunter, Tolson, Weatherly, and Wilkins.

Representative Baker stated that the purpose of the meeting was to discuss and recommend action on HB 998, A BILL TO BE ENTITLED AN ACT TO ENACT INTO LAW THE SOUTHERN DAIRY COMPACT, TO DIRECT THE APPOINTMENT OF MEMBERS FROM NORTH CAROLINA TO THE SOUTHERN DAIRY COMPACT COMMISSION, AND TO APPROPRIATE FUNDS. HB 998 and Letter from James B. Green, Maola Milk & Ice Cream Company, were distributed to the members and are attached . Representatives Brown and Mitchell explained the necessity of the bill and how it would benefit North Carolina consumers. Sam Johnson was in attendance and stated his opposition. After considerable discussion, **Representative Carpenter moved that HB 998 be given a favorable report and report be made directly to the floor of the House. Motion carried.**

There being no further business, the meeting was adjourned at 9:35 a.m.

Respectfully submitted,

Representative Rex L. Baker
House Co-Chair

Jo Hinton
Committee Clerk

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Natural and Economic Resources

Name of Committee | Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Johnny Gary	OSBM
Shelley Alteri	OSBM
[illegible]	DCR
David Meredith	NC State Grange
Harold Webb	
SAM JOHNSON	atty
[illegible]	Land o Sun
Bickie Strut	Land O Sun
Peter Daniel	NCDA
Walter Dunn	NCDA
Dewitt Hardee	NCDA
Chester Lowder	NC Farm Bureau
R. Rogers	FANR
Jim Preston	NCRMA
Don McConnaughey	NCRMA
David McLeod	NCDA
Jim [illegible]	CUMPA
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GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

H 1

HOUSE BILL 998*

Short Title: Southern Dairy Compact. (Public)

Sponsors: Representatives Brown and Mitchell.

Referred to: Agriculture, if favorable, Appropriations.

April 17, 1997

A BILL TO BE ENTITLED

AN ACT TO ENACT INTO LAW THE SOUTHERN DAIRY COMPACT, TO DIRECT THE APPOINTMENT OF MEMBERS FROM NORTH CAROLINA TO THE SOUTHERN DAIRY COMPACT COMMISSION, AND TO APPROPRIATE FUNDS.

The General Assembly of North Carolina enacts:

Section 1. Chapter 106 of the General Statutes is amended by adding a new Article to read:

"ARTICLE 68.

"Southern Dairy Compact.

"**§ 106-810. Southern Dairy Compact entered into; form of Compact.**

The Southern Dairy Compact is enacted into law and entered into with all other jurisdictions legally joining therein in the form substantially as follows:

ARTICLE I. Statement of Purpose, Findings, and Declaration of Policy

"**§ 1. Statement of purpose, findings, and declaration of policy.**

The purpose of this compact is to recognize the interstate character of the southern dairy industry and the prerogative of the states under the United States Constitution to form an interstate commission for the southern region. The mission of the Commission is to take such steps as are necessary to assure the continued viability of dairy farming in the South, and to assure consumers of an adequate, local supply of pure and wholesome milk.

The participating states find and declare that the dairy industry is an essential agricultural activity of the South. Dairy farms, and associated suppliers, marketers, processors, and retailers, are an integral component of the region's economy. Their

ability to provide a stable, local supply of pure, wholesome milk is a matter of great importance to the health and welfare of the region.

The participating states further find that dairy farms are essential, and they are an integral part of the region's rural communities. The farms preserve land for agricultural purposes and provide needed economic stimuli for rural communities.

By entering into this compact, the participating states affirm that their ability to regulate the price that southern dairy farmers receive for their product is essential to the public interest. Assurance of a fair and equitable price for dairy farmers ensures their ability to provide milk to the market and the vitality of the southern dairy industry, with all the associated benefits.

Recent dramatic price fluctuations, with a pronounced downward trend, threaten the viability and stability of the southern dairy region. Historically, individual state regulatory action had been an effective emergency remedy available to farmers confronting a distressed market. The system of federal orders, implemented by the Agricultural Marketing Agreement Act of 1937, establishes only minimum prices paid to producers for raw milk, without preempting the power of states to regulate milk prices above the minimum levels so established.

In today's regional dairy marketplace, cooperative, rather than individual state action is needed to more effectively address the market disarray. Under our constitutional system, properly authorized states acting cooperatively may exercise more power to regulate interstate commerce than they may assert individually without such authority. For this reason, the participating states invoke their authority to act in common agreement, with the consent of Congress, under the compact clause of the Constitution.

In establishing their constitutional regulatory authority over the region's fluid milk market by this compact, the participating states declare their purpose that this compact neither displace the system of federal orders nor encourage the merging of federal orders. Specific provisions of the compact itself set forth this basic principle.

Designed as a flexible mechanism able to adjust to changes in a regulated marketplace, the compact also contains a contingency provision should the system of federal orders be discontinued. In that event, the interstate commission may regulate the marketplace in lieu of the system of federal orders. This contingent authority does not anticipate such a change, however, and should not be so construed. It is only provided should developments in the market other than establishment of this compact result in discontinuance of the system of federal orders.

ARTICLE II. Definitions and Rules of Construction

"**§ 2. Definitions.**

For the purposes of this compact, and of any supplemental or concurring legislation enacted pursuant thereto, except as may be otherwise required by the context:

(1) 'Class I milk' means milk disposed of in fluid form or as a fluid milk product, subject to further definition in accordance with the principles expressed in subsection (b) of Section 3.

(2) 'Commission' means the Southern Dairy Compact Commission established by this compact.

(3) 'Commission marketing order' means regulations adopted by the Commission pursuant to Sections 9 and 10 of this compact in place of a terminated federal marketing order or state dairy regulation. Such order may apply throughout the region or in any part or parts thereof as defined in the regulations of the Commission. Such order may establish minimum prices for any or all classes of milk.

(4) 'Compact' means this interstate compact.

(5) 'Compact over-order price' means a minimum price required to be paid to producers for Class I milk established by the Commission in regulations adopted pursuant to Sections 9 and 10 of this compact, which is above the price established in federal marketing orders or by state farm price regulation in the regulated area. Such price may apply throughout the region or in any part or parts thereof as defined in the regulations of the Commission.

(6) 'Milk' means the lacteal secretion of cows and includes all skim, butterfat, or other constituents obtained from separation or any other process. The term is used in its broadest sense and may be further defined by the Commission for regulatory purposes.

(7) 'Partially regulated plant' means a milk plant not located in a regulated area but having Class I distribution within such area. Commission regulations may exempt plants having such distribution or receipts in amounts less than the limits defined therein.

(8) 'Participating state' means a state which has become a party to this compact by the enactment of concurring legislation.

(9) 'Pool plant' means any milk plant located in a regulated area.

(10) 'Region' means the territorial limits of the states which are parties to this compact.

(11) 'Regulated area' means any area within the region governed by and defined in regulations establishing a compact over-order price or commission marketing order.

(12) 'State dairy regulation' means any state regulation of dairy prices and associated assessments, whether by statute, marketing order, or otherwise.

"**§ 3. Rules of construction.**

(a) This compact shall not be construed to displace existing federal milk marketing orders or state dairy regulation in the region but to supplement them. In the event some or all federal orders in the region are discontinued, the compact shall be construed to provide the Commission the option to replace them with one or more commission marketing orders pursuant to this compact.

(b) This compact shall be construed liberally in order to achieve the purposes and intent enunciated in Section 1. It is the intent of this compact to establish a basic structure by which the Commission may achieve those purposes through the application, adaptation, and development of the regulatory techniques historically associated with milk marketing and to afford the Commission broad flexibility to devise regulatory mechanisms to achieve the purposes of this compact. In accordance with this intent, the technical terms which are associated with market order regulation and which have acquired commonly understood general meanings are not defined herein but the Commission may further define the terms used in this compact and develop additional concepts and define additional terms as it may find appropriate to achieve its purposes.

ARTICLE III. Commission Established

"**§ 4. Commission established.**

There is hereby created a commission to administer the compact, composed of delegations from each state in the region. The Commission shall be known as the Southern Dairy Compact Commission. A delegation shall include not less than three nor more than five persons. Each delegation shall include at least one dairy farmer who is engaged in the production of milk at the time of appointment or reappointment, and one consumer representative. Delegation members shall be residents and voters of, and subject to such confirmation process as is provided for in, the appointing state. Delegation members shall serve no more than three consecutive terms with no single term of more than four years, and be subject to removal for cause. In all other respects, delegation members shall serve in accordance with the laws of the state represented. The compensation, if any, of the members of a state delegation shall be determined and paid by each state, but their expenses shall be paid by the Commission.

"**§ 5. Voting requirements.**

All actions taken by the Commission, except for the establishment or termination of an over-order price or commission marketing order, and the adoption, amendment, or rescission of the Commission's bylaws, shall be by majority vote of the delegations present. Each state delegation shall be entitled to one vote in the conduct of the Commission's affairs. Establishment or termination of an over-order price or commission marketing order shall require at least a two-thirds vote of the delegations present. The establishment of a regulated area that covers all or part of a participating state shall require also the affirmative vote of that state's delegation. A majority of the delegations from the participating states shall constitute a quorum for the conduct of the Commission's business.

"**§ 6. Administration and management.**

(a) The Commission shall elect annually from among the members of the participating state delegations a chairperson, a vice-chairperson, and a treasurer. The Commission shall appoint an executive director and fix his or her duties and compensation. The executive director shall serve at the pleasure of the Commission, and, together with the treasurer, shall be bonded in an amount determined by the

Commission. The Commission may establish through its bylaws an executive committee composed of one member elected by each delegation.

(b) The Commission shall adopt bylaws for the conduct of its business by a two-thirds vote and shall have the power by the same vote to amend and rescind these bylaws. The Commission shall publish its bylaws in convenient form with the appropriate agency or officer in each of the participating states. The bylaws shall provide for appropriate notice to the delegations of all Commission meetings and hearings and of the business to be transacted at such meetings or hearings. Notice also shall be given to other agencies or officers of participating states as provided by the laws of those states.

(c) The Commission shall file an annual report with the Secretary of Agriculture of the United States, and with each of the participating states by submitting copies to the Governor, both houses of the legislature, and the head of the state department having responsibilities for agriculture.

(d) In addition to the powers and duties elsewhere prescribed in this compact, the Commission may engage in all of the following:

(1) Sue and be sued in any state or federal court.

(2) Have a seal and alter the same at pleasure.

(3) Acquire, hold, and dispose of real and personal property by gift, purchase, lease, license, or other similar manner, for its corporate purposes.

(4) Borrow money and to issue notes, to provide for the rights of the holders thereof, and to pledge the revenue of the Commission as security therefor, subject to the provisions of Section 18 of this compact.

(5) Appoint such officers, agents, and employees as it may deem necessary, prescribe their powers, duties, and qualifications.

(6) Create and abolish such offices, employments, and positions as it deems necessary for the purposes of the compact and provide for the removal, term, tenure, compensation, fringe benefits, pension, and retirement rights of its officers and employees.

(7) Retain personal services on a contract basis.

"§ 7. Rule-making power.

In addition to the power to promulgate a compact over-order price or commission marketing orders as provided by this compact, the Commission is further empowered to make and enforce such additional rules and regulations as it deems necessary to implement any provisions of this compact, or to effectuate in any other respect the purposes of this compact.

ARTICLE IV. Powers of the Commission

"§ 8. Powers to promote regulatory uniformity, simplicity, and interstate cooperation.

The Commission may:

(1) Investigate or provide for investigations or research projects designed to review the existing laws and regulations of the participating states, to consider their administration and costs, to

measure their impact on the production and marketing of milk and their effects on the shipment of milk and milk products within the region.

(2) Study and recommend to the participating states joint or cooperative programs for the administration of the dairy marketing laws and regulations and to prepare estimates of cost savings and benefits of such programs.

(3) Encourage the harmonious relationships between the various elements in the industry for the solution of their material problems. Conduct symposia or conferences designed to improve industry relations, or a better understanding of problems.

(4) Prepare and release periodic reports on activities and results of the Commission's efforts to the participating states.

(5) Review the existing marketing system for milk and milk products and recommend changes in the existing structure for assembly and distribution of milk which may assist, improve, or promote more efficient assembly and distribution of milk.

(6) Investigate costs and charges for producing, hauling, handling, processing, distributing, selling, and for all other services, performed with respect to milk.

(7) Examine current economic forces affecting producers, probable trends in production and consumption, the level of dairy farm prices in relation to costs, the financial conditions of dairy farmers, and the need for an emergency order to relieve critical conditions on dairy farms.

"**§ 9. Equitable farm prices.**

(a) The powers granted in this section and Section 10 shall apply only to the establishment of a compact over-order price, so long as federal milk marketing orders remain in effect in the region. In the event that any or all such orders are terminated, this Article authorizes the Commission to establish one or more commission marketing orders, as herein provided, in the region or parts thereof as defined in the order.

(b) A compact over-order price established pursuant to this section shall apply only to Class I milk. Such compact over-order price shall not exceed one dollar and fifty cents ($1.50) per gallon at Atlanta, Georgia, however, this compact over-order price shall be adjusted upward or downward at other locations in the region to reflect differences in minimum federal order prices. Beginning in 1990, and using that year as a base, the foregoing one dollar and fifty cents ($1.50) per gallon maximum shall be adjusted annually by the rate of change in the Consumer Price Index as reported by the Bureau of Labor Statistics of the United States Department of Labor. For purposes of the pooling and equalization of an over-order price, the value of milk used in other use classifications shall be calculated at the appropriate class price established pursuant to the applicable federal order or state dairy regulation and the value of unregulated milk shall be calculated in relation to the nearest prevailing

class price in accordance with and subject to such adjustments as the Commission may prescribe in regulations.

(c) A commission marketing order shall apply to all classes and uses of milk.

(d) The Commission may establish a compact over-order price for milk to be paid by pool plants and partially regulated plants. The Commission also may establish a compact over-order price to be paid by all other handlers receiving milk from producers located in a regulated area. This price shall be established either as a compact over-order price or by one or more commission marketing orders. Whenever such a price has been established by either type of regulation, the legal obligation to pay such price shall be determined solely by the terms and purpose of the regulation without regard to the situs of the transfer of title, possession, or any other factors not related to the purposes of the regulation and this compact. Producer-handlers as defined in an applicable federal market order shall not be subject to a compact over-order price. The Commission shall provide for similar treatment of producer-handlers under commission marketing orders.

(e) In determining the price, the Commission shall consider the balance between production and consumption of milk and milk products in the regulated area, the costs of production including, but not limited to, the price of feed, the cost of labor including the reasonable value of the producer's own labor and management, machinery expense and interest expense, the prevailing price for milk outside the regulated area, the purchasing power of the public, and the price necessary to yield a reasonable return to the producer and distributor.

(f) When establishing a compact over-order price, the Commission shall take such other action as is necessary and feasible to help ensure that the over-order price does not cause or compensate producers so as to generate local production of milk in excess of those quantities necessary to assure consumers of an adequate supply for fluid purposes.

(g) The Commission shall whenever possible enter into agreements with state or federal agencies for exchange of information or services for the purpose of reducing regulatory burden and cost of administering the compact. The Commission may reimburse other agencies for the reasonable cost of providing these services.

"**§ 10. Optional provisions for pricing order.**

Regulations establishing a compact over-order price or a commission marketing order may contain, but shall not be limited to, any of the following:

(1) Provisions classifying milk in accordance with the form in which or purpose for which it is used, or creating a flat pricing program.

(2) With respect to a commission marketing order only, provisions establishing or providing a method for establishing separate minimum prices for each use classification prescribed by the Commission, or a single minimum price for milk purchased from producers or associations of producers.

(3) With respect to an over-order minimum price, provisions establishing or providing a method for establishing such minimum price for Class I milk.

(4) Provisions for establishing either an over-order price or a commission marketing order may make use of any reasonable method for establishing such price or prices including flat pricing and formula pricing. Provision may also be made for location adjustments, zone differentials, and competitive credits with respect to regulated handlers who market outside the regulated area.

(5) Provisions for the payment to all producers and associations of producers delivering milk to all handlers of uniform prices for all milk so delivered, irrespective of the uses made of such milk by the individual handler to whom it is delivered, or for the payment of producers delivering milk to the same handler of uniform prices for all milk delivered by them.

a. With respect to regulations establishing a compact over-order price, the Commission may establish one equalization pool within the regulated area for the sole purpose of equalizing returns to producers throughout the regulated area.

b. With respect to any commission marketing order, as defined in Section 2, subdivision (9), which replaces one or more terminated federal orders or state dairy regulation, the marketing area of now separate state or federal orders shall not be merged without the affirmative consent of each state, voting through its delegation, which is partly or wholly included within any such new marketing area.

(6) Provisions requiring persons who bring Class I milk into the regulated area to make compensatory payments with respect to all such milk to the extent necessary to equalize the cost of milk purchased by handlers subject to a compact over-order price or commission marketing order. No such provisions shall discriminate against milk producers outside the regulated area. The provisions for compensatory payments may require payment of the difference between the Class I price required to be paid for such milk in the state of production by a federal milk marketing order or state dairy regulation and the Class I price established by the compact over-order price or commission marketing order.

(7) Provisions specially governing the pricing and pooling of milk handled by partially regulated plants.

(8) Provisions requiring that the account of any person regulated under the compact over-order price shall be adjusted for any payments made to or received by such persons with respect to a producer settlement fund of any federal or state milk marketing order or other state dairy regulation within the regulated area.

(9) Provision requiring the payment by handlers of an assessment to cover the costs of the administration and enforcement of such order pursuant to subsection (a) of Section 18 of Article VII.

(10) Provisions for reimbursement to participants of the Women, Infants and Children Special Supplemental Food Program of the United States Child Nutrition Act of 1966.

(11) Other provisions and requirements as the Commission may find are necessary or appropriate to effectuate the purposes of this compact and to provide for the payment of fair and equitable minimum prices to producers.

ARTICLE V. Rule-Making Procedure.

"**§ 11. Rule-making procedure.**

Before promulgation of any regulations establishing a compact over-order price or commission marketing order, including any provision with respect to milk supply under subsection (f) of Section 9, or amendment thereof, as provided in Article IV, the Commission shall conduct an informal rule-making proceeding to provide interested persons with an opportunity to present data and views. Such rule-making proceeding shall be governed by Section 4 of the Federal Administrative Procedure Act, as amended (5 U.S.C. § 553). In addition, the Commission shall, to the extent practicable, publish notice of rule-making proceedings in the official register of each participating state. Before the initial adoption of regulations establishing a compact over-order price or a commission marketing order and thereafter before any amendment with regard to prices or assessments, the Commission shall hold a public hearing. The Commission may commence a rule-making proceeding on its own initiative or may in its sole discretion act upon the petition of any person including individual milk producers, any organization of milk producers or handlers, general farm organizations, consumer or public interest groups, and local, state or federal officials.

"**§ 12. Findings and referendum.**

(a) In addition to the concise general statement of basis and purpose required by section 4(b) of the Federal Administrative Procedure Act, as amended (5 U.S.C. § 53 (c)), the Commission shall make findings of fact with respect to:

(1) Whether the public interest will be served by the establishment of minimum milk prices to dairy farmers under Article IV.

(2) What level of prices will assure that producers receive a price sufficient to cover their costs of production and will elicit an adequate supply of milk for the inhabitants of the regulated area and for manufacturing purposes.

(3) Whether the major provisions of the order, other than those fixing minimum milk prices, are in the public interest and are reasonably designed to achieve the purposes of the order.

(4) Whether the terms of the proposed regional order or amendment are approved by producers as provided in Section 13.

"**§ 13. Producer referendum.**

(a) For the purpose of ascertaining whether the issuance or amendment of regulations establishing a compact over-order price or a commission marketing order, including any provision with respect to milk supply under subsection (f) of Section 9, is approved by producers, the Commission shall conduct a referendum among producers. The referendum shall be held in a timely manner, as determined by regulation of the Commission. The terms and conditions of the proposed order or amendment shall be described by the Commission in the ballot used in the conduct of the referendum, but the nature, content, or extent of such description shall not be a basis for attacking the legality of the order or any action relating thereto.

(b) An order or amendment shall be deemed approved by producers if the Commission determines that it is approved by at least two-thirds of the voting producers who, during a representative period determined by the Commission, have been engaged in the production of milk the price of which would be regulated under the proposed order or amendment.

(c) For purposes of any referendum, the Commission shall consider the approval or disapproval by any cooperative association of producers, qualified under the provisions of the Act of Congress of February 18, 1922, as amended, known as the Capper-Volstead Act, bona fide engaged in marketing milk, or in rendering services for or advancing the interests of producers of such commodity, as the approval or disapproval of the producers who are members or stockholders in, or under contract with, such cooperative association of producers, except as provided in subdivision (1) of this subsection and subject to the provisions of subdivisions (2) through (5) of this subsection.

(1) No cooperative that has been formed to act as a common marketing agency for both cooperatives and individual producers shall be qualified to block vote for either.

(2) Any cooperative that is qualified to block vote shall, before submitting its approval or disapproval in any referendum, give prior written notice to each of its members as to whether and how it intends to cast its vote. The notice shall be given in a timely manner as established, and in the form prescribed, by the Commission.

(3) Any producer may obtain a ballot from the Commission in order to register approval or disapproval of the proposed order.

(4) A producer who is a member of a cooperative which has provided notice of its intent to approve or not to approve a proposed order, and who obtains a ballot and with such ballot expresses his or her approval or disapproval of the proposed order, shall notify the Commission as to the name of the cooperative of which he or she is a member, and the Commission shall remove such producer's name from the list certified by such cooperative with its corporate vote.

(5) In order to ensure that all milk producers are informed regarding a proposed order, the Commission shall notify all milk producers

that an order is being considered and that each producer may register his or her approval or disapproval with the Commission either directly or through his or her cooperative.

"**§ 14. Termination of over-order price or marketing order.**

(a) The Commission shall terminate any regulations establishing an over-order price or commission marketing order issued under this Article whenever it finds that such order or price obstructs or does not tend to effectuate the declared policy of this compact.

(b) The Commission shall terminate any regulations establishing an over-order price or a commission marketing order issued under this Article whenever it finds that such termination is favored by a majority of the producers who, during a representative period determined by the Commission, have been engaged in the production of milk, the price of which is regulated by such order; but such termination shall be effective only if announced on or before such date as may be specified in such marketing agreement or order.

(c) The termination or suspension of any order or provision thereof, shall not be considered an order within the meaning of this Article and shall require no hearing, but shall comply with the requirements for informal rule making prescribed by Section 4 of the Federal Administrative Procedure Act, as amended (5 U.S.C. § 553).

ARTICLE VI. Enforcement

"**§ 15. Records, reports, access to premises.**

(a) The Commission may by rule and regulation prescribe record keeping and reporting requirements for all regulated persons. For purposes of the administration and enforcement of this compact, the Commission may examine the books and records of any regulated person relating to his or her milk business and for that purpose, the Commission's properly designated officers, employees, or agents shall have full access during normal business hours to the premises and records of all regulated persons.

(b) Information furnished to or acquired by the Commission officers, employees, or its agents pursuant to this section shall be confidential and not subject to disclosure except to the extent that the Commission deems disclosure to be necessary in any administrative or judicial proceeding involving the administration or enforcement of this compact, an over-order price, a compact marketing order, or other regulations of the Commission. The Commission may adopt rules further defining the confidentiality of information pursuant to this section. Nothing in this section shall be deemed to prohibit (i) the issuance of general statements based upon the reports of a number of handlers, which do not identify the information furnished by any person, or (ii) the publication by direction of the Commission of the name of any person violating any regulation of the Commission, together with a statement of the particular provisions violated by such person.

(c) No officer, employee, or agent of the Commission shall intentionally disclose information, by inference or otherwise, that is made confidential pursuant to this section. Any person violating the provisions of this section shall, upon conviction, be subject to a fine of not more than one thousand dollars ($1,000) or to imprisonment

for not more than one year, or both, and shall be removed from office. The Commission shall refer any allegation of a violation of this section to the appropriate state enforcement authority or United States Attorney.

"**§ 16. Subpoena, hearings and judicial review.**

(a) The Commission is hereby authorized and empowered by its members and its properly designated officers to administer oaths and issue subpoenas throughout all signatory states to compel the attendance of witnesses and the giving of testimony and the production of other evidence.

(b) Any handler subject to an order may file a written petition with the Commission stating that any order or any provision of any such order or any obligation imposed in connection therewith is not in accordance with law and praying for a modification thereof or to be exempted therefrom. The handler shall thereupon be given an opportunity for a hearing upon such petition, in accordance with regulations made by the Commission. After such hearing, the Commission shall make a ruling upon the prayer of such petition which shall be final, if in accordance with law.

(c) The district courts of the United States in any district in which the handler is an inhabitant, or has his or her principal place of business, are hereby vested with jurisdiction to review such ruling, provided a complaint for that purpose is filed within 30 days from the date of the entry of the ruling. Service of process in these proceedings may be had upon the Commission by delivering to it a copy of the complaint. If the court determines that the ruling is not in accordance with law, it shall remand such proceedings to the Commission with directions either (i) to make such ruling as the court shall determine to be in accordance with law, or (ii) to take such further proceedings as, in its opinion, the law requires. The pendency of proceedings instituted pursuant to this subdivision shall not impede, hinder, or delay the Commission form obtaining relief pursuant to Section 17. Any proceedings brought pursuant to Section 17, except where brought by way of counterclaim in proceedings instituted pursuant to this section, shall abate whenever a final decree has been rendered in proceedings between the same parties, and covering the same subject matter, instituted pursuant to this section.

"**§ 17. Enforcement with respect to handlers.**

(a) Any violation by a handler of the provisions of regulation establishing an over-order price or a commission marketing order, or other regulations adopted pursuant to this compact shall:

(1) Constitute a violation of the laws of each of the signatory states. Such violation shall render the violator subject to a civil penalty in an amount as may be prescribed by the laws of each of the participating states, recoverable in any state or federal court of competent jurisdiction. Each day such violation continues shall constitute a separate violation.

(2) Constitute grounds for the revocation of license or permit to engage in the milk business under the applicable laws of the participating states.

(b) With respect to handlers, the Commission shall enforce the provisions of this compact, regulations establishing an over-order price, a commission marketing order or other regulations adopted hereunder by:

(1) Commencing an action for legal or equitable relief brought in the name of the Commission in any state or federal court of competent jurisdiction; or

(2) Referral to the state agency for enforcement by judicial or administrative remedy with the agreement of the appropriate state agency of a participating state.

(c) With respect to handlers, the Commission may bring an action for injunction to enforce the provisions of this compact or the order or regulations adopted thereunder without being compelled to allege or prove that an adequate remedy of law does not exist.

ARTICLE VII. Finance

"**§ 18. Finance of start-up and regular costs.**

(a) To provide for its start-up costs, the Commission may borrow money pursuant to its general power under Section 6, subdivision (d), paragraph 4. In order to finance the cost of administration and enforcement of this compact, including payback of start-up costs, the Commission may collect an assessment from each handler who purchases milk from producers within the region. If imposed, this assessment shall be collected on a monthly basis for up to one year from the date the Commission convenes, in an amount not to exceed $.015 per hundred weight of milk purchased from producers during the period of the assessment. The initial assessment may apply to the projected purchases of handlers for the two-month period following the date the Commission convenes. In addition, if regulations establishing an over-order price or a compact marketing order are adopted, they may include an assessment for the specific purpose of their administration. These regulations shall provide for establishment of a reserve for the Commission's ongoing operating expenses.

(b) The Commission shall not pledge the credit of any participating state or of the United States. Notes issued by the Commission and all other financial obligations incurred by it, shall be its sole responsibility and no participating state or the United States shall be liable therefor.

"**§ 19. Audit and accounts.**

(a) The Commission shall keep accurate accounts of all receipts and disbursements, which shall be subject to the audit and accounting procedures established under its rules. In addition, all receipts and disbursements of funds handled by the Commission shall be audited yearly by a qualified public accountant and the report of the audit shall be included in and become part of the annual report of the Commission.

(b) The accounts of the Commission shall be open at any reasonable time for inspection by duly constituted officers of the participating states and by any persons authorized by the Commission.

(c) Nothing contained in this Article shall be construed to prevent commission compliance with laws relating to audit or inspection of accounts by or on behalf of any participating state or of the United States.

ARTICLE VIII. Entry into Force; Additional Members and Withdrawal

"§ 20. Entry into force; additional members.

The compact shall enter into force effective when enacted into law by any three states of the group of states composed of Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia and when the consent of Congress has been obtained.

"§ 21. Withdrawal from compact.

Any participating state may withdraw from this compact by enacting a statute repealing the same, but no such withdrawal shall take effect until one year after notice in writing of the withdrawal is given to the Commission and the governors of all the participating states. No withdrawal shall affect any liability already already incurred by or chargeable to a participating state prior to the time of such withdrawal.

"§ 22. Severability.

If any part or provision of this compact is adjudged invalid by any court, such judgment shall be confined in its operation to the part or provision directly involved in the controversy in which such judgment shall have been rendered and shall not affect or impair the validity of the remainder of this compact. In the event Congress consents to this compact subject to conditions, said conditions shall not impair the validity of this compact when said conditions are accepted by three or more compacting states. A compact state may accept the conditions of Congress by implementation of this compact.

"§ 106-811. Appointment of members to the Southern Dairy Compact Commission.

(a) The delegation from the State of North Carolina to the Southern Dairy Compact Commission, as established in Article IV of the Compact, shall be composed of five members appointed as follows:

(1) One member representing consumers of milk, appointed by the Governor.

(2) One member appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives.

(3) One member appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate.

(4) Two members appointed by the Commissioner of Agriculture, one of whom shall be a dairy farmer engaged in the production of milk at the time of appointment or reappointment.

(b) Members must be registered to vote in the State.

(c) Members shall serve a term of four years and may be reappointed, but no member shall serve more than three consecutive terms. Members shall serve until their successors are duly appointed. Any appointment to fill an unexpired term shall be for the balance of the unexpired term and shall be made by the appropriate

appointing authority. A member may be removed by the appointing authority, in accordance with G.S. 143B-13. The Commissioner of Agriculture shall designate one member of the delegation to serve as chair, at the pleasure of the Commissioner.

(d) Members of the delegation shall receive per diem and necessary travel and subsistence expenses in accordance with G.S. 138-5.

(e) A majority of the delegation shall constitute a quorum for the transaction of business.

(f) All clerical and other services required by the delegation shall be provided by the Commissioner of Agriculture."

Section 2. There is appropriated from the General Fund to the Southern Dairy Compact Commission, as established by Article III of the compact, as enacted in Section 1 of this act, the sum of twenty-five thousand dollars ($25,000) for the 1997-98 fiscal year and the sum of twenty-five thousand dollars ($25,000) for the 1998-99 fiscal year to be used by the Commission to conduct its activities pursuant to this act.

Section 3. This act becomes effective July 1, 1997.

Maola

"Fresher Milk From Greener Pastures"

May 23, 1997

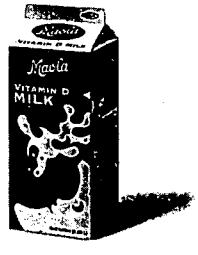
State of North Carolina
House Of Representatives
State Legislative Building
Raleigh, NC 27601-1096
Attention: Agriculture Committee
Rep. John Walter Brown
Chairman

To the Honorable John Walter Brown:

It is our understanding that on Tuesday, May 20, the House Agriculture Committee heard arguments by various persons who were opposed to the establishment of an Interstate Dairy Compact in the State of North Carolina. It is also our understanding that one or more persons stated that Maola Milk & Ice Cream Company joined other milk processors in opposing this compact. As we were neither represented at this hearing, nor did we authorize anyone to speak for our company, we would like to state our position in regard to the legislation that would establish this compact.

For a number of years, North Carolina has been a deficit state, that is we have been unable to supply the demand for milk with milk produced in our state. This has been the result of a rapid population growth and a continually dwindling number of dairy farms in the state. In 1980 there were 1,280 active dairy farms in North Carolina. By 1991 the number had declined to 810. At the end of 1996 we were down to 547. Already this year we have lost another twenty and by the end of the year we expect to lose up to 70 more due to the environmental requirements that go into effect 1/1/98. Dairy farmers simply continue to be unable to survive economically.

The decline in milk production in our own state has resulted in our having to import increasingly large volumes of milk from other states as far away as New York, Wisconsin and even New Mexico. The majority of Maola's milk supply is purchased from independent North Carolina dairy farmers who ship directly to us. The remainder of our supply is purchased from milk cooperatives, primarily Carolina



Maola Milk & Ice Cream Company, P.O. Drawer S, 305 Avenue C, New Bern, NC 28563 (919) 638-1131 Fax (919) 638-2268

Virginia Milk Producer's Association, Inc. In the past twelve months, Maola has been required to pay import charges of more than $750,000.00 on more than 21,000,000 pounds of milk that Carolina Virginia had to import from other states. These import costs increased the price of raw milk as much as $3.41 per hundred pounds and caused the total cost per hundred pounds to be as much as $22.04. A copy of one month's Carolina Virginia invoice to Maola is attached, demonstrating the impact of these import charges.

History has well documented that under existing rules, our local dairymen cannot economically survive, that they are going out of the dairy business rapidly and that higher levels of imported milk are rapidly increasing milk costs at every level. We believe that the arguments that the establishment of the compact will result in higher milk prices are in error and are very short sighted. Further we believe that the correct, long term solution is to find a way to equitably stabilize raw milk prices in North Carolina at a level at which our existing producers can survive, which will encourage herd expansion and which will create an environment in which others will be willing to make the required investment to get into the milk producing business. As North Carolina becomes self sufficient in satisfying our consumer demands for dairy products we believe that the long term result will be lower prices, not higher ones. In addition, the agricultural economy of North Carolina will also be the winner, rather that that of Wisconsin, New Mexico and other states.

Therefore, it is the position of Maola Milk & Ice Cream Company that we will not join those who oppose the establishment of the Southern Dairy Compact. Those who have stated that Maola supports the opposition were in error and did not speak with authorization of the management of Maola Milk & Ice Cream Company. The Compact is far from perfect but it appears that the overall result would be positive for producers, processors and consumers. We would encourage the House to require that the new commission would include at least one milk processor, to have a more equal and fair representation of interested parties.

Sincerely,

James B. Green

James B. Green
Vice President & General Manager

Carolina Virginia Milk Producers Association, Inc.

P.O. Box 32307

Charlotte, NC 28232-2307

Phone: 704-334-9558 Fax: 704-377-0531

INVOICE

Customer: Date: 07/31/96

Maola Dairies Final

PO Drawer S Settlement

New Bern NC 28560 Invoice# F079656

Deliveries:	Product Lbs	BF Lbs	Av BF Test
Member Producer Receipts	3,262,997	116,874	3.58180%
Maryland & Va	1,160,982	41,646	3.58714%
			0.00000%
Total Deliveries	4,423,979	158,520	3.58320%

Classification of Deliveries	Product Lbs	BF Differential	Price @ 3.5 BF	Average BF Test	Value
Order 5 Blend	3,262,997	1.59	16.48	3.58180%	541,985.78
Order 5 Blend	1,160,982	1.59	16.48	3.58714%	192,938.33
Zone Adjustment	4,423,979		0.1500		6,635.97
Import Costs	2,085,258		3.4100		71,107.30
Over Order Premiums					
Class I	3,508,878		2.0000		70,177.56
Class II, III	562,691		0.8000		4,501.53
					74,679.09
These prices are subject to a maximum credit of .30 CWT for cost savings provided to producers.					
Receiving Tests	4,071,569		(0.1000)		(4,071.57)
Receiving Equal Volume 7 Days	4,071,569		(0.1555)		(6,332.41)
					(10,403.98)
Virginia Class I - Eastern	312,847		1.9300		6,037.95
Virginia Class I - Western	39,563		1.6500		652.79
Southwest Market			1.0900		0.00
VA SMC Assessment	352,410		(0.0004)		(137.36)
Va SMC Audit Adjustment (Oct, 95 - Mar, 96)					187.77
					6741.15
					883,683.64
LESS ADVANCES					(332,352.60)
					0.00
Final Settlement Amount Due					**$551,331.04**

Bank Wiring Instructions:

Carolina Virginia Milk Producers Association
Branch Bank & Trust
Bank Routing Number - 053101121
Bank Account Number - 1561110618

TOTAL 22.04

NC milk 19.52

876 940

19.9749

1997 PERMANENT SUBCOMMITTEE REPORT
HOUSE OF REPRESENTATIVES

FOR RECOMMENDING BILLS TO STANDING COMMITTEE OR TO THE FLOOR OF THE HOUSE
The following report(s) from permanent sub committee(s) is/are presented:

By Representative(s) Baker, Mitchell, and Carpenter for the Permanent Subcommittee on Natural and Economic Resources of the Standing Committee on APPROPRIATIONS.

☐ Committee Substitute for
H.B. 998 ☒A BILL TO BE ENTITLED AN ACT TO ENACT INTO LAW THE SOUTHERN DAIRY COMPACT, TO DIRECT THE APPOINTMENT OF MEMBERS FROM NORTH CAROLINA TO THE SOUTHERN DAIRY COMPACT COMMISSION, AND TO APPROPRIATE FUNDS.

REPORTED TO THE STANDING COMMITTEE ON

RECOMMENDED ACTION:

☐ With a favorable recommendation.

☐ With a favorable recommendation and recommend that the bill be re-referred to the Committee on

☐ With a favorable recommendation, as amended.

☐ With a favorable recommendation, as amended, and recommend that the bill be re-referred to the Committee on

☐ With an unfavorable recommendation.

☐ With a favorable recommendation as to proposed committee substitute bill which changes the title, unfavorable as to original bill.

☐ With a favorable recommendation as to proposed House committee substitute bill, which changes the title, unfavorable as to Senate committee substitute bill.

☐ Without prejudice.

☐ Other recommended action: _____

WITH APPROVAL OF STANDING COMMITTEE CHAIR FOR REPORT TO BE MADE DIRECTLY TO THE FLOOR OF THE HOUSE:

Rep. Holmes, Esposito, Creech, and Crawford for the Standing Committee on APPROPRIATIONS.

s/ George M. Holmes

☒ With a favorable report.
☐ With a favorable report, as amended.
☐ With a favorable report as to committee substitute bill (#), ☐ which changes the title, unfavorable as to original bill (Committee Substitute Bill #). (and recommendation that the committee substitute bill (#) be referred to the Committee on .)
☐ And having received a unanimous vote in committee, be placed on the Consent Calendar. (PUBLIC BILLS ONLY)

4/24/97

FOR JOURNAL USE ONLY

____ Pursuant to Rule 36(a), the bill is placed on the Calendar of _____.

____ The (committee substitute) bill/resolution (as amended,) is (ordered engrossed and) re-referred to the Committee on _____.

____ The (committee substitute) bill/resolution (, as amended,) is placed on the Consent Calendar of _____. The original bill/resolution is placed on the Unfavorable Calendar.

____ The bill/resolution is re-referred to the Committee on _____.

____ On motion of (Rep. _____,) (the Chair,) the (committee substitute) bill/resolution is (ordered engrossed and) re-referred to the Committee on _____.

____ Pursuant to Rule 36(a), the (House) committee substitute bill (No. ___)/resolution is placed on the Calendar of _____. (The original bill) (House Committee Substitute Bill No. _____)/ resolution is placed on the Unfavorable Calendar.

____ On motion of Rep. _____, (the rules are suspended) (Rule ____ is suspended) and the bill/resolution is placed on today's calendar. (for immediate consideration.)

____ On motion of Rep. _____, Committee Amendment No.(s) _____ is/are adopted (by EV____ ____).

____ On motion of Rep. _____, Committee Amendment No.(s) _____ is/are adopted (by EV____ ____).

____ Rep. _____ offers Amendment No. _____ which (is adopted.) (fails of adoption.) (by EV ____ ____,) ( ) This amendment changes the title.

____ The bill/resolution (, as amended,) passes its second reading (by following vote, ____ ____ RC) (, by EV ____ ____,) and (remains on the Calendar,) (and there being no objection is read a third time).

____ The bill/resolution (, as amended,) passes its third reading (by the following vote, ____ ____ RC) (, by EV ____ ____,) and is ordered
____ sent to the Senate.
____ without engrossment. ____ by Special message.
____ sent to the Senate for concurrence in
_____ House amendment (s).
_____ House committee substitute.
____ enrolled.

____ On motion of Rep. _____, the House concurs in the (material) Senate _____ (by the following vote, ____ ____ RC) (, by EV ____ ____,) and the bill is ordered enrolled.

Minutes

House Appropriations Sub-Committee on

Natural and Economic Resources

June 23, 1997 - 2:00 p.m.

The House Appropriations Sub-Committee on Natural and Economic Resources met on Monday, June 23, 1997 in Room 1228 of the Legislative Building. Representative Frank Mitchell, Senior Co-Chair, called the meeting to order at 2 p.m. Members present were Representatives Mitchell, Baker, Carpenter, Culp, Fox, Hall, Owens, Tolson, Weatherly, and Wilkins.

After introducing the Sub-Committee members and invited guests, Representative Mitchell asked Representative Russell Capps, sponsor of House Bill 1011 entitled Low Pressure Pipe Emergency Funds, to explain the bill. He explained the bill requests assistance for correcting a severe environmental problem that affects 580 families in Wake County. Approximately eight to ten years ago, the Environmental Management Division approved low pressure pipe sewage disposal systems for subdivisions that are located in the watershed area of Falls Lake. The technology for such systems had not been tested and the systems should not have been approved for use except for coastal regions of the State. Wake County would not approve the system for use but the State did override this decision and approved the systems. He continued by saying that low pressure systems were not designed for long-term use and had a life expectancy of ten years. The City of Raleigh wanted to keep the development at a minimum in the watershed area of Falls Lake, and Wake County also wouldn't approve of LPP systems in areas of municipal sewer systems were never expected to be extended. The LPP systems do not belong to the home owners, and were approved by the State Utilities Commission which had the responsibility to appoint the operator. From reports, the operator was not financially capable of operating the systems and maintaining the field. The homeowners have paid monthly utility fees while the operators have held title to the system. The first State-approved (by the Utilities Commission) operator was North State who failed. The second operator appointed was Harrco who was operating the systems when Hurricane Fran came through the area. Harrco was undercapitalized and incapable of providing adequate maintenance and repair to the systems. Hurricane Fran destroyed ten of the fields (LP piping torn from the ground as trees were uprooted). This left 580 families and two of Wake County's newest schools without sewer treatment capabilities. An emergency pump and haul system was established with the aid of federal emergency management agency and was a temporary measure to be used for no longer than six months. Attempts to get federal aid for repairing and extending city sewer lines were to no avail as federal guidelines would not allow this type aid. When Harrco abandoned the systems after the hurricane, the homeowners were left with the problem that continues today that poses a severe environmental danger to the water supply linked to the City of Raleigh and Wake

County. The City of Raleigh has agreed under the emergency disaster situation to extend the municipal sewer lines to allow hook-up by the subdivisions. Funding must be found for this extension to be made. Today, there is evidence of sewage bubbling out of the ground and draining into Falls Lake which threatens Wake County's drinking water as well as ongoing health hazards to humans and wildlife. The homeowners are incurring an expensive cost that isn't their fault. The systems were not owned by the homeowner therefore, no insurance would cover the damage. This is a unique situation where two State agencies admitted the systems should have never been approved and were improperly maintained. The bill asked the General Assembly designate funds from the Clean Water Management Trust Fund and direct them toward alleviating the problem. Representative Russell asked the Chairman if he would allow a fifteen minute video to be shown. Representative Mitchell replied each member of the Sub-Committee was responsible for approxi-mately $40 million of the State's budget and did not need the use of video or slide production to make a decision.

Questions from the Sub-Committee members to Representative Capps were as follows. Referring to the bill, Representative Culp asked if the subdivisions listed have problems with LPP systems in which Representative Capps replied they do. He continued by asking if a municipal sewer system would solve the problem. Representative Capps replied the only way to solve the problem would be to extend the municipal sewer system. Representative Weatherly asked if there are other failed systems in the State. Representative Capps responded he didn't know for sure. He continued by asking if the State had permitted other similar systems in other locations in the State. Representative Capps responded these systems were designed for use in coastal regions and not for large subdivisions. Representative Weatherly also asked if the appropriation from the Clean Water Management Trust Fund was a one-time appropriation in which Representative Capps replied it was. Representative Hall asked who owns the system at the present time. Mr. Robin Cauthen of the Utilities Commission replied that the pipes probably belong to Harrco, the fields either belong to the developers or the homeowners association, and the collections system for the most part are owned by the homeowners. Representative Hall continued by asking who is responsible for paying the fines for the contamination that is going into Falls Lake at the present time. Mr. Cauthen replied he wasn't aware of any fines that were being assessed at this time. Representative Hall commented about the question of ownership and the responsibility for correcting the problem. Representative Baker asked who would apply for the funds. Representative Capps responded that Wake County would apply and receive the funds. Representative Baker asked if the State knew the system wasn't valid. Representative Capps replied the system had not been tested sufficiently. Representative Baker continued by asking if he felt that the State was unaware the system was bad. Representative Capps responded the system had not been tested and failed, and they have admitted that it should have never been approved. Representative Baker asked if someone was present that could describe what they have admitted to. Representative Capps responded there had been public hearings before the Utilities Commission where the question had been asked and they admitted publicly that the system should have never been approved. Representative Mitchell asked Dr. Leah Devlin, Assistant State Health Director of DEHNR, if the

department had ever admitted they were at fault in approving the system. Dr. Devlin replied that Representative Capps was correct in saying the systems were designed to be used on the coast. She continued by stating that the systems had been installed by the Division of Environmental Management and there were questions that had been asked concerning the construction of the systems. Representative Mitchell asked if such an innovative system had not been available what would have been the future of such subdivisions. Dr. Devlin replied there would not have been any development in the area. Rick Rowe of Wake County also commented the sites had been turned down for using a normal septic tank system by the Wake County Health Department. Representative Mitchell asked how long had the current system been in use Mr. Rowe responded some systems had been installed as early as 1987. Representative Fox asked were the systems only to last ten years in which Representative Capps replied that was true. He continued by asking if the homeowner was aware of this in which Representative Capps replied they were not. Representative Mitchell asked Dr. Devlin if the Department was aware that the life expectancy of the system was ten years. She replied she understood the systems could last longer with proper maintenance. Representative Fox asked Representative Capps who gave the approval for the operators in which he responded the approval came from the Utilities Commission. Mr. Cauthen added that the operators are approved by a operators certification board. Referring to the developments listed in the bill, Representative Tolson asked what was the time frame from the first time a system was installed to the latest. Mr. Rowe responded the first system was installed in the early 1980's (7-9 year period). Representative Tolson asked if any of the systems had begun to fail before the last development was started. Mr. Rowe responded there was an evaluation on the systems made before a transfer was made in 1992 from Environmental Management Commission to Division of Environmental Health. At that time, there were various problems (gave Park Ridge as example) with repairs to be made. Representative Tolson asked if Park Ridge was the first development in which Mr. Rowe replied it was not. He continued by asking if Park Ridge was the first development to begin having problems in which Mr. Rowe replied it was not. Representative Owens asked if FEMA funds were forthcoming in which Representative Capps responded that FEMA has paid for the pump and haul for six months. There have been applications made but have been turned down twice so there is no guarantee the funds will be forthcoming. Representative Owens asked if there had been any attempt made to create a sewer district through the city or county to fix this through revenue bonds that could be paid back over time. Representative Capps replied the only permanent fix would be to connect to city sewer lines. He continued by asking if there was a possibility the city would annex the subdivisions and allow the taxes collected to pay for the sewer hook-up over a period of time. Dempsey Benton, Raleigh City Manager, responded the water and sewer system is totally financed by the users and there are no property taxes used to finance or operate the system. It could be done but would vary from the current approach of financing the operation. Representative Culp asked if any of the systems were working up until Hurricane Fran. Representative Capps responded some were failing as early as 1993, and poorly maintained. Representative Culp asked if the present collection system could be salvaged. Mr. Rowe responded the present system can be used. In reference to the bill, Representative Weatherly asked was the Clean Water Management Trust Fund intended

for such purposes. Representative Mitchell responded the intention of funds from the Clean Water Management Trust Fund was to go to municipalities and local governments, not to homeowners. He continued by saying the board of trustees have been appointed and no funds have been used to date. Representative Hall asked if sewer was available at the present time. Representative Mitchell replied sewer lines must be run to hook up with city sewer. Mr. Benton added the developments are located in the Falls Lake watershed, and the connection will require a significant extension. Representative Capps asked Mr. Benton if no other tap-ons would be allowed in which Mr. Benton replied that was the policy of the city council. Representative Hall commented that passing such legislation would set a bad president for the Clean Water Management Trust Fund, and asked if the City of Raleigh could apply for a grant from the Trust Fund. Representative Mitchell remarked the Trust Fund can be used for grants and loans. Representative Wilkins asked what the total cost of the project was. Mr. Demetric Potts of Wake County responded that $1.8 million was the State's cost share for pump and haul, and interim repairs. He continued by asking if the cost share was depleted in which Mr. Potts responded it was not at this time. Representative Mitchell asked if the homeowners were paying for pump and haul in which Mr. Potts replied they were not. Representative Wilkins asked what the request for $8 million cover in which Mr. Potts replied it would cover the total cost to repair the system. Mike Aull of Wake County added that part of the $1.8 million covered emergency repairs which was cheaper than the pump and haul cost. He continued by saying the total cost to connect all subdivisions to the City of Raleigh would be $8 million. Representative Wilkins asked what would the connection fee be. Mr. Aull replied the homeowners would pay from $2,600 to $10,900 (depending on the subdivision) which would total $3-4 million. He added that total would reduce the amount of funding needed. Representative Wilkins remarked if FEMA funds were received, that would further reduce the funds needed. Representative Capps noted that if FEMA funds were received, funds received from the Clean Water Management Trust Fund would be returned. Representative Carpenter asked about the repair plan before the hurricane. Mr. Rowe replied Harrco was working on a repair plan for the Park Ridge subdivision prior to Hurricane Fran. It entailed servicing the system in the field, and re-engineering a portion of the fields to handle the amount that was being received. Representative Carpenter continued by asking was there specific repairs done during the six month period of pump and haul. Mr. Rowe replied some of he systems were inoperable during that time (after Hurricane Fran), and the County has spent $1.2 million on pump and haul. Representative Mitchell asked had the County spent $1.2 million on pump and haul in which Mr. Rowe clarified $1.2 million had been expended from the $1.8 million (the State's cost share). Representative Owens asked if there were other innovative systems that could be used. Mr. Rowe replied there was not. Representative Culp asked how long would it take for service to be provided. Mr. Aull replied the designs would be completed in mid August, and it would take ten months to complete from that date. Representative Hall asked if the systems fail again, where would the funds come from to correct the problem a second time. Mr. Aull replied the connection to the city sewer system would correct the problem. Representative Baker asked if there was a representative from the Division of Environmental Health that could explain how many other systems are located in the State. Stephen Burkowitz, an environmental

engineer from the On-site Wastewater Section in the Division of Environmental Health, replied there were 272 community domestic on-site waste water systems. Of that number, 66 systems had identifiable problems statewide, and 30 of the 66 systems were public utility systems that had ownership similarities such as the systems being discussed, and 50 were community systems that included privately-owned systems that were low pressure pipe systems. Representative Baker asked for a clarification on how many systems were low pressure pipe systems. Dr. Burkowitz replied out of 272 systems, 146 are low pressure pipe systems. He continued by asking if there was any documented evidence that the failure of these systems has endangered public health. Dr. Burkowitz replied that cases of actual illness that could be related to the systems, they would be considered a health hazard. Dr. Devlin added this is considered to be a health hazard. Representative Baker asked was the term "untreated sewage" appropriate to use in this case. Dr. Burkowitz responded the sewage has been treated on a minimum basis. Representative Culp asked what was the total amount requested in the application to FEMA in which Ms. Moon replied the amount requested was $10 million.

At this time, members of the audience were allowed to address the Sub-Committee. In order to give everyone an equal opportunity, each person was given three minutes to speak. The following is an account of each person's comments.

Gary McGibbon

Mr. McGibbon wanted to clarify statements that had been made and mention some additional facts. He stated the systems can't be rebuilt because of the damage from Hurricane Fran. The first system that came online was in 1987 (have documentation). Harrco was the first contractor to put the system in place, not North State. Harrco, North State, and others installed systems through 1990. The usage of the Clean Water Management Trust Fund states in paragraph six specifically states that this usage is proper and justified which is supported by Bill Hollman. He pointed out that these are not individual septic systems, and the homeowner will never receive any portion of the funds at any time. The same amount of sewage is flowing into the ground as above the ground which contaminates community wells spills into Falls Lake. The homeowners are being asked to write a blank check which includes a lien for the pump and haul costs, homeowners association costs, and costs levied by Harrco to the homeowner. There are no other counties in the State that has had a massive shutdown like this. (This concluded the first portion of his presentation.) He was addressing the Sub-Committee primarily as chairperson of an eleven neighborhood Community Low Pressure Pipe/ETF, and secondly, as a citizen taxpayer and parent in seeking sewer and infrastructure relief in House Bill 1011. He noted these neighborhoods were still severely affected nine months after Hurricane Fran. After 4,000 hours of research, meetings and calls, there were 400 individuals who support the key messages. The Wake County Community Low Pressure Pipe Network is broken and can't be rebuilt. Emergency municipal sewer connection is the only option to permanently eliminate the health hazard and contamination of the water supply. Homes aren't worth more if connected, and will be condemned if not connected. Homeowners have done their part to reduce project costs by working with State and County officials. It would take nine months to a year to receive funds from the

Clean Water Management Trust Fund (due to application process). The homeowners have the support of the Wake County legislative delegation, the Wake County Board of Commissioners and the resolution of support for House Bill 1011 and Senate Bill 1041. He continued by stating the homeowners have no legal responsibility for sewer infrastructure, should not be asked to pay for the design and construction, or for liens of $20,000 or more. He ended by asking the members to please give full support to House Bill 1011.

Questions asked by the members were as follows. Representative Mitchell asked why he had designated $20,000 instead of $15,000 which was the figure supplied by the City. Mr. McGibbon replied it covered extra costs such as interest, easement fees, Harrco's fees, and pump and haul fees. Representative Mitchell asked if the homeowner owns the sewer lines in which Mr. McGibbon replied the homeowner owns lines from their home to the street. He continued by asking if the attorney representing the homeowners has any recourse to go back to whoever installed the sewer lines and seize the land where the fields were located after hook-up with the city takes place. Mr. McGibbon responded he thought that could be achieved except once the homeowner connects with the City, the fields couldn't be used again so there would be no value to the property. Representative Culp asked how much property was involved in which Mr. McGibbon replied approximately from 2.3 to 20 acres were involved. Representative Carpenter asked about the distance and effect on community wells. Mr. McGibbon replied some fields are approximately one quarter of a mile away from the wells that are drilled approximately 1,000 feet. He continued by saying ground water well monitoring stations were never installed to and haven't been monitored since 1992. Representative Carpenter asked if any of the wells have been tested. Mr. McGibbon responded you couldn't test a system that didn't work. He continued to say that the homeowners have been told that independent agencies who have been asked wouldn't test or monitor the wells once they know they are LPP systems. Representative Carpenter asked why didn't the homeowner have their tap water tested in which Mr. McGibbon replied it was very expensive to have water tested for micro-organisms and the funds aren't available. Representative Fox asked if Harrco was fining the homeowners association in which Mr. McGibbon replied Harrco had filed letters with the Utilities Commission stating the homeowners owe $200,000. Representative Fox asked if Harrco claims it owns the system. Mr. McGibbon responded that Harrco claims to own the system. He continued by asking if he is still responsible for them in which Mr. McGibbon replied if he was responsible why wasn't Harrco (who has claimed to be bankrupt) fined for the violations incurred. Representative Fox asked if Harrco operated other systems in the State in which Mr. McGibbon replied it did. Representative Weatherly asked as a property owner, was the homeowner given proper assurance from the developer that he had a state-permitted system. Mr. McGibbon replied they were as well as from the County. Representative Weatherly asked if there was a maintenance fee paid in which Mr. McGibbon replied there was. Representative Baker asked if the water testing was too expensive, was the water still being used. Mr. McGibbon replied his family used bottled water. He continued by asking was the cost the reason the water hasn't been tested. Mr. McGibbon replied it was a refusal of everyone to have it done, not receiving assistance to have it

done, and a microbiologist (Mark Sobsi)who did the research at the coast to install the systems suspected the soil in Wake County couldn't handle it. Representative Hall asked what the charge was for testing water in Wake County. Mr. Rowe responded the cost was $45. Representative Owens asked since this was an emergency situation, couldn't a state agency test the water, and noted the water probably wasn't contaminated because a septic system won't work when water can't penetrate the tight soil. Linda Sewell, Director of the Division of Environmental Health, clarified the community water systems are monitored regularly under the federal Safe Drinking Water Act and no special problems have been noticed with the water quality. She noted the monitoring wells around these systems had not been monitored by the State but community water systems are operated by utility companies which are monitored on a monthly basis. Representative Baker asked if any citations had been issued in which Dr. Sewell replied she wasn't aware of any citations. Representative Baker asked if she was aware if this problem has created any public health problems. She replied there are health hazards when sewage is on the surface of the ground but she hasn't received any reports to her knowledge.

Ed Harvey

Mr. Harvey gave additional background information to why House Bill 1011 is so urgently needed. He summarized the LPP system is a large scale, on-site, municipal hybrid waste water treatment facility that requires a trained and licensed operator as well as a public utility. It consists of dual septic tanks on each homeowners lot that feed into a central collection tank where sewage is pumped into a network of low pressure pipes that distribute the sewage across a field. The fields are suppose to absorb and treat the sewage prior to it reaching any surface water sources. This is a simple concept where the technology has failed with serious consequences. In the early 1980's, DEHNR approved these experimental systems despite objections of local experts. In 1992, the State admitted its error, and through legislative action, transferred responsibility to Wake County. The LPP systems were in the path of Hurricane Fran and the damage sustained brought the network into a permanent state of emergency. A serious public health hazard was declared, and 85% of the network was put on pump and haul. The public utility declared that reserve emergency capital did not exist despite the $55 monthly fees. Interim repairs have been performed on the systems only to have failed again. The environmental consequences are enormous. Despite the notices of violations issued, proper maintenance and accountability has never been applied. Notices of violations were issued in Park Ridge as far back as 1990 but the problems still exist to date, and no repairs have been made. After recommendations made by Wake County to discontinue building permits only half the development was completed, an additional twenty or more homes were built. When it rains, the surfacing effluent runs off the fields and contaminates the streams. The stream in Park Ridge has a strept count of over 1,6000 whereas the normal count is 200. It is clear that the surface water is being contaminated due to lack of ground water monitoring, and there are questions concerning contamination of well water also. The personal consequences are enormous. The fields and creeks are open to playing children, pets and insects which can spread infection to others.

Questions asked by the members are as follows. Representative Culp asked if any of the subdivisions are still building homes. Mr. Harvey replied there was no building in the Park Ridge subdivision and didn't know if other subdivisions were building. Representative Wilkins asked if the $55 fee included water in which Mr. Harvey replied it did not. Representative Mitchell asked he was drinking his tap water in which Mr. Harvey replied his family is not.

Willis Lumpkin

Mr. Lumpkin is a resident of the Stone Bridge subdivision. When he and his wife moved to North Carolina two years ago, he realized the utility arrangements were somewhat different. They discussed LPP with others, and were reassured this wasn't something to be concerned about. It was approved by the State and managed by a utility. Hurricane Fran destroyed the LPP system, and his home has been without a working sewer facility since September, 1996. Like most people, they had put the bulk of their savings into their home which is gone. During the hurricane, they also lost power but weren't asked to contribute financially to correct the problem. There is no insurance which covers such costs to correct the LPP damage. There are 530 households (1,500 to 2,000 people) that provide a considerable income base. The sewer damage affects property value as well as public health. The citizens can't afford to correct the problem, and are looking to government for support. Since the State approved the system, it should be responsible for correcting the problem.

Questions from the members are as follows. Representative Tolson asked who did he speak with. Mr. Lumpkin replied they spoke with the realtor, a county inspector, and county representatives. Representative Mitchell asked when did he purchase his home. Mr. Lumpkin replied two years ago. Representative Mitchell asked was the system working prior to Hurricane Fran. Mr. Lumpkin replied it was. He understood there were signs of the system failing in Stone Bridge prior to Fran. Representative Culp commented that the Environmental Review Commission was discussing this issue four years ago. Representative Owens asked what is the tax base of these homes. Mr. Lumpkin explained these homes represent a certain level of net income. Representative Owens continued by asking Richard Stephens, Wake County Manager, what the tax value was. Mr. Stephens replied he didn't have any way of knowing. He continued by asking what the price of the average home is. Mr. Stephens replied the average home is valued at approximately $200,000. Representative Owens asked did the homeowners want to hook up with the city in which Mr. Lumpkin replied they did. Representative Owens noted if the city would agree to use the tax value for two years, it would pay for the system. Representative Mitchell didn't agree and remarked it would cost approximately $15,000 for a home to hook up to the city sewer line. He asked Mr. Benton how much would it cost the city for connecting a home valued at $300,000 in which he replied the amount would be $1,500. Representative Wilkins asked what is the county's history. Mr. McGibbon replied the county has refused to financially assist the homeowners. Representative Weatherly also noted the failed systems had been discussed in previous Environmental Review Commission meetings, and commented that realtors were promoting the system when it was in failure. Representative Mitchell reminded

Representative Weatherly the system was working in other areas of the State and allowed this area to be developed.

John Howell
Mr. Howell lives in the Hollybrook subdivision which was one of the first subdivisions LPP systems to fail. When he moved into the subdivision, the system was working but failed in September, 1992. Soon after that date, North State declared bankruptcy, and Harrco took over the ownership. He paid $86.50 a month for sewer services. The destruction of Hurricane Fran destroyed the field and put the subdivision on pump and haul. The subdivision has been working for four years and is still in the process of hooking up to Cary's sewer system. He ended by noting it is difficult to have faith in the State when the State permitted something like this to happen.

No questions were asked by the members.

Phil Ryan
Mr. Ryan organized twenty questions into four categories that he wanted the members to think about. The first category was authorization by the State. Did the State approve the LPP systems (yes), did the State license the LPP systems (yes), did the State regulate the LPP systems (yes), and should homeowners feel secure about buying a home with an LPP system (yes). The second category is environment. Were the LPP systems new and unproven technology in Wake County (yes), were the LPP systems allowed in the watershed (yes), is waste water surfacing today (yes), were ground wells established and monitored to assure water quality (no),were violations being addressed in a timely manner (no), and would Wake County allow LPP systems to be built today (no). The third category is utility companies. Is Harrco recognized as a municipal utility company by FEMA (no), is the homeowner eligible for federal assistance (no), could the homeowner have purchased insurance if they had wanted to (no), was the utility company adequately capitalized (no), were the LPP systems properly maintained (no), why are the homeowners being forced to pay $55.10 a month while the communities are on the pump and haul, and why does Harrco refuse to allow their books to be audited by the Utility Commission. The last category is help. Is there a single government agency with the authority to resolve this problem (no), would you buy a home without a sewer system (no), should the homeowner who purchased in good faith be responsible for thousands of dollars for a new sewer system when the State created, aided, and abetted the continuation of a sewer system problem in the watershed (no). He ended by asking the members to please vote for House Bill 1011 and do all that they could for passage by the full House.

Questions asked by the members are as follows. Representative Carpenter asked Mr. Rowe had anyone examined the cost of establishing a waste treatment plant. Mr. Rowe replied waste treatment plants must have a discharge point and that is handled through the permitting process of the Division of Water Quality or DEM. Waste water treatment plants were not permitted for these locations, therefore the LPP systems were

used. Representative Carpenter asked could such a plant be permitted now. Mr. Rowe responded probably not because of being located in the watershed.

Bruce Rinne

Mr. Rinne is president of the Yates Mill Homeowners Association. The community has seventy-one homes with more than 250 residents and is located in Wake County. The average price of the homes prior to Hurricane Fran was$125,000 with no amenities. Three and one half years ago, the owner of the LPP system abandoned the system as the homeowners learned the system was beginning to fail. From that point, the homeowners took the responsibility to repair the system they did not own. With assistance of the Wake County Department of Health and the Utilities Commission, they have been working to fix the system. With the aid of four certified engineers who lived in the neighborhood, a new system was designed. Testing and research was done to ensure the system would work. Results of the plans were to repair and replace everything from each home through the drain fields with the exception of the pipes in the road. Once this took place, all the pipes in the drain fields would have to be systematically replaced every ten years. The best that could be done is to design a system that would be in a perpetual state of repair. Because the homeowners were unable to receive aid from a government agency, they sought financial assistance. During this time, Hurricane Fran destroyed the drain fields. The City of Raleigh has agreed to accept our sewage if the homeowners pay to install a two mile pipeline and pump station to their specifications plus a monthly sewer charge. This opportunity offers an end to the neighborhood's sewer trouble. He pointed out the homeowners have assumed the responsibility of solving a problem that they didn't create. The LPP system can work but are labor intensive and costly to maintain which makes one question how they were permitted in the first place. As taxpayers, we want our represent-atives to be responsible in a manner our tax dollars are to be spent. Part of that responsi-bility too is to make sure the State does not shy away from responsibility. His request was to ask the General Assembly to acknowledge there is a problem with the LPP systems, for the State to recognize their responsibility to rectify the situation, and for members of the General Assembly to support this responsibility. He asked for support of House Bill 1011.

There were no questions from the members.

Christina Harvey

Mrs. Harvey has lived in Park Ridge since 1993. She noted the potential homebuyer was never told the State knew about the problems with the LPP system, and Wake County had recommended that building permits stop being issued. Homes can't be sold, and those that have been sold have taken substantial losses (23% loss on one home). They have learned the foul odor comes from the waste that is pooling in the non-functioning LPP fields. When it rains, the effluent runs through the neighborhood to Barton's Creek which runs into Falls Lake. She can't allow her three year old twins to play in the neighbor's yard because the creek behind the home contains high levels of strept bacteria. They aren't allowed to play outside after it rains because the storm drain runs through their front and backyard. The runoff in the creek water has been tested to be contami-

nated. She continued by saying the homeowners don't own the system, they couldn't be insured, and pay a public utility to run them. The homeowners can't afford to pay a huge sum to connect to city sewer. She is afraid of the health risks to her family but can't sell her home to get away from the situation. She ended by asking the members to please pass House Bill 1011 which would provide funds that already exist in the Clean Water Management Trust Fund.

Questions asked by the members are as follows. Representative Culp asked could these systems be insured. Mrs. Harvey replied the homeowner doesn't own the pipes or the land, and the utility doesn't insure them. Representative Mitchell commented there probably was a possibility of insuring them but the system was too expensive to insure.

Jim Conner

Mr. Conner is an attorney representing Wake County LPP Emergency Task Force. He stated the homeowners have been used as ginny pigs to test an unproven system with the approval of the County and the State. They have paid three times the cost to have decent sewer systems in their homes. The homeowner paid in part when they bought their home, have paid tap-on fees to developers, paid high monthly sewer fees, and with hundreds of hours of work to fix the problem on their own with the aid of State and local agencies. With the passage of this bill, they will continue to pay in taxes and sewer fees once they are hooked up to the City of Raleigh. He noted the developers and the utilities benefited but don't have the assets or legal availability to answer for their misdeeds. He is looking at bringing suits against the developer for misrepresentation but the problem is the statute of limitations. The homeowner needs help from the State to pay for a basic human need. He ended his statements by clarifying that the Clean Water Management Trust Fund go to the local government so that sewer infrastructure can be built.

Questions asked by the members are as follows. Representative Mitchell asked what would be the city sewer fee be. Mr. Benton replied once they tap on to the city sewer system, the fee would be $11 a month. Representative Tolson asked what was happening to the $55 monthly fee the homeowners are paying currently. Before this question was answered, Representative Capps mentioned that the Utilities Commission was going to bring criminal charges against Harrco for spending the money after they had been told not to. Mr. Cauthen replied the Commission's public staff has audited Harrco's records, and have determined a portion of the money should be refunded but hasn't determined the amount. Carolina Water who is collecting the $55 monthly fee will also be audited, and anything above a reasonable amount will be subject to refund. Money that was held in reserve for a refund was removed from Harrco's account but was restored by a court order. Representative Mitchell asked what was the amount. Mr. Cauthen replied it was $65,000. Representative Weatherly asked did the county issue building permits despite the fact they didn't approve the sewer system. Mr. Rowe replied the county accepts a permit from a state agency on a waste water facility. Representative Owens asked if there are lots in the subdivisions that haven't been sold. Mr. Rowe replied there are a number of lots that are available. Representative Mitchell asked Mr. Benton if the city would allow new homes to tap on the system in the future. Mr. Benton

responded the City doesn't want to encourage high density development in the watershed. Special circumstances have been allowed but only on a case-by-case basis. Representative Mitchell asked what was the percentage of lots available in these sub-divisions. Mr. Benton replied 80-90% are filled.

Representative Mitchell corrected a statement he had made earlier which was the Clean Water Management Trust Fund can be used for grants only and not for loans. Representative Mitchell stated he had received a phone call from someone who wanted to hook up to a septic tank and had been told they couldn't by the Utilities Commission. Mr. Cauthen replied hooking up to a septic tank requires a county permit, and the Commission can't tell someone they can't. He added it burdens the existing system. Mr. Rowe also added the approval process stipulates that certain kinds of water and sewer systems involved. If a subdivision was approved to use a particular type of system by the county, that sets the precedent. Representative Mitchell asked Dr. Devlin if there has been any consideration given to fining the homeowners or the operators. She replied the Utilities Commission would be responsible for fining the operators and DEHNR hasn't issued any fines to date. Representative Mitchell asked was there any mechanism in place to fine the homeowners. Dr. Devlin referred the question to Dr. Sewell, and her reply was there is a mechanism in place to fine the owners of the failing system. Although these operators haven't been fined, the State has a history of fining individuals with failing sub-surface systems. Representative Fox asked why hasn't the Utilities Commission fined the operators. Mr. Cauthen replied the operators are supervised by the Division of Environmental Health; the systems are run under permits issued by DEHNR, DEM or DEH, and the utilities are regulated by the Utilities Commission. Fines for surfacing effluent would come from the environmental side, and fines for improper management would come from the Commission. Representative Mitchell remarked his fear would be if the operator was fined, he would pass the cost to the homeowner. Representative Owens asked Bill McNeil from the Division of Community Assistance of the Department of Commerce about funding available. He replied Congress appropriated $500 million as part of a supplemental disaster relief bill, and HUD is deciding how they will distribute the funds among the many states that have had disasters in the last year. He went on to say that if money materializes for the State, Wake County should be able to apply for funds through the State. Representative Mitchell asked would this be in a form of a grant or a low interest loan in which Mr. McNeil replied it was too early to tell. Representative Mitchell asked Mr. Stephens what mechanism does the County have for obtaining money for the homeowner in the form of a low interest loan. Mr. Stephens replied the county commissioners created several sewer districts as a mechanism to apply for grants or loans, and the process takes approximately six months. Representative Mitchell remarked that if the bill receives a favorable report from the Sub-Committee and goes to the floor of the House, this will open a situation throughout the State that won't be funded. He continued by asking Mr. Benton if the City had access to any immediate funds with low interest rates that would start the project which could be paid on if FEMA or disaster relief money became available at a later date. Mr. Benton replied the fastest way would be to issue revenue bonds at a cost of $4.25 million which the user would have to guarantee repayment. Representative Mitchell asked wouldn't assessments or

liens on the property take care of that situation. Mr. Benton replied it probably could be done. He continued by asking did it take a majority vote of the homeowners. Mr. Benton wasn't sure but he felt it would have to be a contractual agreement with the City. Representative Mitchell remarked that Fuquay Varina had a similar situation and had approximately nine years to pay back the loan and asked what was the rate of interest. Mr. Aull replied the interest rate was 3.047% and revenue bonds would be 5-6%. Representative Weatherly asked would the rate exceed the amount the homeowners are paying now. Mr. Benton roughly figured the homeowner would pay $115 per month over a 20 year period. Representative Hall pointed out that the State approves systems such as LPP sewer systems but doesn't guarantee they will work so it would be difficult to blame the State for this failure. Representative Owens asked about other residents affected that wouldn't be hooked up to Raleigh sewer. Mr. Aull responded some homes would be tied into Cary, and Fuquay-Varina. Representative Owens noted this is a shared responsi-bility by local, county and state governments as well as the homeowners. Referring to the bill, Representative Culp asked where does the money go. Representative Capps and Emily Johnson, Staff Attorney, responded the money goes to the county for the sub-divisions. Representative Wilkins asked was the funding recurring or non-recurring. Ms. Johnson explained $8 million would be directed in the legislation . She noted this is a codified provision (recurring fund) which would create a fund and would continue to dip $8 million out of the Clean Water Management Trust Fund. Representative Capps noted the bill should be amended but it was important to get the problem fixed. Representative Hall remarked it would be setting a bad precedent to allocate funds out of the Clean Water Management Trust Fund through legislation and noted July 1 was the deadline to apply for FEMA funds. Representative Capps noted this is a long-term process. He added by saying if the Sub-Committee would give the bill a favorable report, the trustees of Clean Water Management Trust Fund Commission would look favorably on the application. Representative Wilkins asked what was the true cost of the project. Mr. Aull replied the total cost including tap-on fees would be $8 million. Representative Baker asked what will be the buy-out fee. Mr. Cauthen replied Harrco would settle for $50,000-100,000. Representative Weatherly remarked he had a problem legislating what the trustees would be doing. Representative Mitchell asked if anyone had spoke with any of the trustees from the Trust Fund. Mr. McGibbon responded he had spoken with the executive director about the situation, and was told the matter could be considered in approximately nine months to one year.

A motion was made by Representative Culp to give House Bill 1011 a favorable report as amended. Representative Baker remarked he had real problems with the motion. He noted the State did what it normally would do in permitting the system. He felt the real cost goes back to the developer, and this legislation will create a deluge of requests throughout the State. He added it would be a mistake to make any grants to these people although they have a problem and need help. His final remarks were to speak against the motion. Representative Owens noted the State has some liability and obligation but if it is opened to a 100% grant, everyone will want funds. If the home-owner had an obligation to match a certain amount, Representative Owens felt they could afford to continue paying. Representative Fox agreed with Representative Owens, and

felt the Sub-Committee should look at fining Harrco as well as finding funds to help the homeowners immediately but not fund the total bill. Representative Weatherly noted that Wake County has a heavy responsibility in trying to protect its real estate value, and thought they should be looking for innovative ways to give these citizens some relief. Representative Mitchell thought the County Commissioners had rejected a grant request. Representative Hall noted the individual homeowner is responsible for fixing the septic tank or be fined if it is leaking and wouldn't be receiving funds from anyone to fix it. He explained the situation that happened in Lee County. He felt it was a bad policy to legislate money out of the Trust Fund and had a problem with giving the bill a favorable report. Representative Owens asked if a septic system was uprooted by the hurricane, would FEMA or any other agency pay for the damage. Representative Mitchell replied he didn't think so. Representative Mitchell told the members if the motion fails, it's over. He suggested appointing a working sub-committee to find low interest loans, and expressed his reservations on voting for the bill. Representative Tolson agreed with Representative Mitchell that all avenues should be explored to help these citizens and not kill the bill. Representative Wilkins asked what was the status of the bill in the Senate. Senator Reeves responded the bill in the Senate Appropriations Committee hasn't been heard. Representative Weatherly made a substitute motion to appoint a sub-committee to report back to the permanent Sub-Committee. Representative Owens added the sub-committee should report back in two weeks, and asked the officials from the city, county, the Utilities Commission, and State agencies to continue assisting with this matter. Representative Hall added that representatives from Cary be in attendance also. At this time, Representative Mitchell restated the substitute motion which is to form a sub-committee with a day certain to report back looking at all options we can within a two week period which will be two weeks from today's date at 2:00 p.m. By a unanimous vote, the motion carried. The members of the sub-committee will be Representatives Hall, Owens, Tolson, Culp, and Mitchell. Representative Mitchell said the members would be notified of the meeting date and time.

The meeting adjourned at 4:15 p.m.

Respectfully submitted,

W. F. Mitchell

Representative Frank Mitchell
Senior Co-Chair

Susan Thomason

Susan Thomason
Clerk

House Appropriations Subcommittee
Natural and Economic Resources

Monday, June 23, 1997
2:00 p.m.
Room 1327, Legislative Building

AGENDA

I. CALL TO ORDER AND INTRODUCTIONS

Representative Frank Mitchell, Co-Chair

II. EXPLANATION OF HOUSE BILL 1011

Representative Russell Capps, Sponsor

III. COMMITTEE DISCUSSION

IV. PUBLIC'S REMARKS

V. COMMITTEE DISCUSSION AND RECOMMENDATIONS

VI. ADJOURNMENT

Appropriations Subcommittee
Natural and Economic Resources
June 23, 1997
2:00 p.m.

Guests Attending

NC Utilities Commission-Public Staff

Mr. Robin Cauthen-Attorney
Mr. Danny Stallings-Accountant (Water Issues)
Mr. Ron Brown-Engineer (Water Issues)

Wake County

Mr. Richard Stevens-County Manager
Mr. Douglas Longhini-Community Development
Mr. Rick Rowe-Environmental Health
Mr. Mike Aull-Facilities Design and Construction
Mr. Demetric Potts-Community Services

City of Raleigh

Mr. Dempsey Benton-City Manager

DEHNR

Dr. Leah Devlin-Deputy Health Director

General Assembly Staff

Ms. Mona Moon-Fiscal Research
Ms. Emily Johnson-Bill Drafting

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Natural and Economic Resources **June 23, 1997**

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Amy Ripps	Citizen, Stonebridge Subdivision
Lesley White	Citizen, Stonecreek
Jay Buckner	Citizen, Stone Creek
Martin Broderick	Citizen, Stone Creek
Leo Zeller	Dept. of Commerce
W. Tuff Edlet	Citizen, Gates Mill Run
Ty Kaufman	Citizen, Monticello
Jonathan Simonson	" , Stonebridge
Liz Kavanagh	Citizen, Park Ridge Subd.
Michael Brown	Citizen - Park Ridge Subdiv
Shelia Wheless Atkins	OSBM
Johnny Gray	OSBM
Sarah Kuler	DEHNR
Kara McCraw	Rep. J. Carpenter's Office
Sharon Herbert	Citizen - Manchester subdiv.
Sherrill Zoller	" " "
Johnny DeLoach	NCDEM
James Self	NCDEM
Alan Boisvert	Banbury Woods
John McShane	Citizen, Banbury Woods
Audrey Johnson	Stonecreek resident
Billie Tompkins	Stonebridge
Michael A. Brown	Citizen - Stonebridge
Marianne G. Curran	Citizen - Stonebridge
Thomas & Kim Ely	Citizen - Park Ridge Subdivision
Thelma Murphy	Citizen - Stone Creek Subdivision
Anna Tefft	OSBM

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Natural and Economic Resources **June 23, 1997**

Name of Committee | Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Steve Mack	Capital Staffing
James Conner	Atty for Wake Co. LPP ETF
GARY McGIBBON	WC COMMUNITY LPP ETF
ED HARVEY	" " "
Christina Harvey	" " "
Judy Johnson	" " " "Stonecreek
Vicki Vaughan	" " " "Banbury Woods
Thomas D Cox	WCG LPP ETF
Bill Rosenbach	1573 Park Ridge Way WCC LPP ETF
Everette Lynn	Wake Co. Environmental Health
Donald Howe	4628 Holly Brook Dr. Apex NC.
Marvin Marblestone	604 Cheviot Court Stone Creek
Ronni Marblestone	" " "
Dorothy Rowe	Manchester Development — Sewer
John Wilch	Citizen - 1200 Hillingdon Way
DON CRAFTON	CITIZEN - 813 HILLINGDON WAY - PARK RIDGE
Gerry Raynor	Citizen Stone Creek Sub
Elizabeth Graham	Citizen - Stone Creek Sub.
Nancy F. Webb	621 Hawick Rd. - Stone Creek - Sub.
Richard S Hurley	612 Hawick Rd - Raleigh 27615
GAIL M. DRANE	1300 DEERHURST DR., RALEIGH 27614
TERRY TRAYLOR	1004 KINGS CROSS WAY, RALEIGH, 27615
Linda Sewell	DEH
Steven Bellamy	DEH - ON-SITE WASTEWATER
BILL JESTER	DEH - ON-SITE WASTEWATER SECTION
BRUCE RINNE	5509 Millrace Trail Ral. Yates Mill Run Sub.
RAFAEL A. OSILLA	5620 MILLRACE TRAIL RAL, YATES MILL RUN SU Bo

VISITOR REGISTRATION SHEET

APPROPRIATIONS/Natural and Economic Resources **June 23, 1997**

Name of Committee | Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Jane C Walker	Citizen Stonebridge Subd.
Richard R. Walker	Citizen. Stonebridge Subd.
Ann E. McGibbon	Citizen, Stonebridge Subd.
BRIAN SHIELDS	" , 1800 PARK RIDGE WAY RALEIGH.
David McGibbon	Citizen, Stonebridge Subdivision
Jeanne Goodman	Citizen Stonebridge Subdivision
Jerry Goodman	CITIZEN, STONEBRIDGE SUBDIVISION
Sonja Goodman	" " "
Alexandra Goodman	" " "
Jan & Jonathan Weems-Mateer	Citizen - Yates Mill Run
HUI MING SUN	CITIZEN STONE CREEK SUBDIVISION
Gary Horne	Citizen Manchester Subdivision
John TURNER	Citizen, Woods of Tiffany
Steve Martin	Stone Creek Subdivision
Dennis Erny	Citizen, Yates Mill Run

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

H 1

HOUSE BILL 1011

Short Title: Low Pressure Pipe Emerg. Funds. (Public)

Sponsors: Representatives Capps; Eddins, Hensley, Mosley, and Neely.

Referred to: Appropriations.

April 21, 1997

A BILL TO BE ENTITLED

AN ACT TO CREATE THE LOW PRESSURE PIPE NETWORK REPLACEMENT EMERGENCY FUND.

The General Assembly of North Carolina enacts:

Section 1. Chapter 162A of the General Statutes is amended by adding a new Article to read:

"ARTICLE 8.

"Low Pressure Pipe Network

Replacement Emergency Fund.

"§ 162A-110. Definitions.

(1) Fund. -- Low Pressure Pipe Network Replacement Emergency Fund created pursuant to this Article.

(2) Pump and haul. -- Pumping of the liquid waste (effluent) from the common collection tank by a carrier into their equipment for transportation to a municipal sewer connection point where it is discharged.

(3) Infrastructure. -- All effluent transport and delivery piping, pumps and storage/treatment tanks from the private/public right-of-way interface at the street for each homesite or from the schoolsite to and including the common collection area utility lot.

"§ 162A-111. Fund: established; earnings.

(a) Fund Established. -- There is established the Low Pressure Pipe Network Replacement Emergency Fund in the State Treasurer's Office. The fund shall be administered by the Department of Commerce.

(b) Fund Earnings, Assets, and Balances. -- The State Treasurer shall hold the Fund separate and apart from all other moneys, funds, and accounts. Investment earnings credited to the assets of the Fund shall become part of the Fund. Any balance in the Fund at the end of any fiscal year shall be carried forward in the Fund for the next succeeding fiscal year. Payments from the Fund shall be made on the warrant of the Department of Commerce.

"**§ 162A-112. Fund: purposes.**

(a) Moneys from the Fund may be used to finance projects to provide for the interim repair, permanent connection, and system buy-out of failed community and public school low pressure pipe systems. Moneys from the Fund may also be used for any of the following purposes associated with the permanent connection of community low pressure pipe systems to municipal sewer treatment systems:

(1) Interim repair costs to mitigate pump and haul charges until permanent connection can be made.

(2) Design, engineering, bidding, and construction costs with five percent (5%) contingency.

(3) Costs of acquisition of easements necessary for permitting the construction.

(4) Municipal and county impact fees, system buy-out fees, and tap-on fees.

(5) Community low pressure pipe field system kill costs after connection.

"**§ 162A-113. Fund: grant criteria and eligibility.**

(a) Any unit of local government may apply for a grant under this section on behalf of its citizens.

(b) The criteria for issuing a grant under this Article is as follows:

(1) The low pressure pipe system has failed or has been declared a public health risk nuisance by the appropriate county environmental health agency;

(2) The infrastructure can not be fully rebuilt to satisfy county health code requirements; and

(3) The economies-of-scale needed to reactivate the low pressure pipe system are nonexistent.

(c) The Department of Commerce shall select the applicants to receive grants under this Article and shall administer the grants.

(d) Notwithstanding any other provision of law, the Department of Commerce shall award grants for the 1997-98 fiscal year to Wake County to be allocated as grants for the following areas: Stonebridge VI, Stone Creek, Park Ridge, Hollybrook, Woods of Tiffany, Banbury Woods, River Oaks, Sheffield Manor, Monticello, Yates Mill Run, Manchester, Pleasant Union School, and Saddleridge.

"**§ 162A-114. Fund: certain funds from the Clean Water Management Trust Fund reserved to the Low Pressure Pipe Network Replacement Emergency Fund.**

(a) The Clean Water Management Trust Fund is established in G.S. 113-145.3. Of the funds reserved to the Clean Water Management Trust Fund in accordance with

G.S. 143-15.3B, the State Controller shall reserve to the Low Pressure Pipe Network Replacement Emergency Fund the sum of eight million dollars ($8,000,000). Those funds in the Low Pressure Pipe Network Replacement Emergency Fund shall be used only in accordance with this Article.

(b) The funds reserved to the Low Pressure Pipe Network Replacement Emergency Fund under this Article are in addition to the one million eight hundred thousand dollars ($1,800,000) already advanced by the State. If FEMA moneys should become available for resolution of the community and school low pressure pipe interim repair and permanent connection, those dollars shall be added to this fund.

"**§ 162A-115. Department of Commerce has rule-making authority.**

The Department of Commerce may make rules to implement this Article."

Section 2. This act becomes effective July 1, 1997.

Key Messages

Hurricane Fran - Induced Failure of the Community Low Pressure Pipe/ Septic Tank Effluent Pump (LPP/STEP) Network

- Hurricane Fran **re-wrote the rules** regarding large-scale onsite sub-surface municipal hybrid wastewater treatment facilities in Wake County, i.e., the Community LPP/STEP system network. The entire network has been a pending **health hazard** for several years and is now in **Total Failure; connection to municipal sewer is the only solution available**. Wake County's is the only Community LPP to have been totally devestated by Hurricane Fran. The FEMA funding appeal/ acceptance/ rejection process is stalled in Atlanta Region IV and Washington although wording states that **homeowners have neither the resources or responsiblity to pay**. Clean Water Management Fund Application if approved would be approximately nine months to a year away; new projects cannot wait.

- The entire network is under a permanent **state of Emergency, an "imminent public health hazard"** due to the aftermath of Hurricane Fran and the **abandonment of the last Public Utility** with experience in this area, Harrco Utility Corporation. The failure mechanism of Community LPP is **contamination of the Falls Lake & Swift Creek Watersheds' drinking water supply** through groundwater and surface waters pollution. Over approximately 200 thousand gallons of untreated, liquid human waste are produced by the Wake County network a day (if no rain).

- The State permitted and regulated these **systems without proper testing in Wake County or Public Utility capitalization/ rate guarantees** for the using and consuming public these systems were meant to protect; the homeowner was never informed of this. When the State admitted its error in 1992 through Legislative transfer of permitting and inspection to the County, none of the DEHNR Final Report mandates were followed or enforced.

- The network of 530 Wake County homesites and two Public Elmentary Schools on Community LPP could never have absorbed the revenue requirements of an **un-insurable, alternative (NCAC .1900 & .0200 Rule & Regs), high maintenance technology and its utilities**. CP&L could have never exist on such a customer base.

- As the Community LPP network fails, LPP homeowners are being asked to **pay** different and exorbitant fees **for a Public Utility and infrastructure that is not on their property, they didn't permit, own and could never insure**. Lack of maintenance and enforcement caused the permancy of the Fran-induced failure, yet Harrco Utility has never been fined for violations of permit and code. Project costs and pump and haul lien totals **per LPP family could exceed $20,000**.

- Since all homeonwers pay the same monthly rate to be serviced by the system and were not allowed to disconnect if their lot now "percs", this "one for all, all for one" methodology must be applied to bring the system down equitably. Since the **State permitted Community LPP in error and the worst natural disaster in the history of North Carolina placed the network in total failure**, the Wake County Community **LPP homeowners should not be assessed** for the design, engineering and construction required for permanent connection to municpal sewer.

- Homowners have already paid their sewer tap-on fees when they **were required to connect to Community LPP** and high montly fees for the full maintenance that they didn't receive. At most, they should be asked to pay the municipal tap-on and impact fee for the emergency connection to a municipal system. Though not ideal, **this is a viable compromise** since those fees represent approximately a 90%/10% State/ Homeowner construction cost split which is the same arrangement the State was given by the Federal Government.

Wake Co. Community LPP ETF
10308 Grafton Road
Raleigh, NC 27615

Honorable James B. Hunt
Governor, NC State
116 West Jones Street
Raleigh, NC 27602

Secretary Jonathan B. Howes
DEHNR-Archdale Bldg.
PO Box 27687
Raleigh, NC 27611-7687

Senator Marc Basnight
President Pro-Tem
Legislative Bldg-2304
16 West Jones Street
Raleigh, NC 27602

Representative Harold Brubaker
House Speaker
Legislative Bldg-2304
16 West Jones Street
Raleigh, NC 27601-1096

March 17, 1997

Dear Governor Hunt, Secretary Howes, Pres Pro-Tem Basnight and Speaker Brubaker:

We are in receipt of your March 11, 1997 letter and would like thank you for expressing your position although the outcome of your meeting with respect to continued advance funding of the system-wide permanent fix is most certainly not what we had expected. We need to clarify a few points expressed in our letter of the 28th of February as there seems to be misunderstanding on key issues. We continue to be threatened by a poorly designed/ implemented, State mandated and unwisely managed and maintained Community LPP/ STEP infrastructure that has now been wasted by Hurricane Fran. It is in times of such a health and financial crisis for hundreds of directly and thousands of indirectly affected Wake County citizens at all income levels that they must rely on our elected and appointed officials; we need you to do the right thing, **now**. Protecting the health and environment and providing for a quality drinking water and sewer infrastructure for its citizens **is** the right thing to do.

In the spirit of open communication, we request a face-face, "come to the table meeting" with you now to address the following issues so we can all put this nightmare behind us and get on with our lives.

Are you still willing to take risks and help plan for complete State and Federal funding of the system-wide permanent connection based on the State's responsibility for permitting these systems in error?

The state (NRCD-DEM now DEHNR-DWQ) was responsible for approving Community LPP using individual LPP research and documentation from EPA Technology Transfer Design Manual-1980 (EPA 625/1-80-012) and flow through dollars to NOAA and the National Sea Grant program -1982 with research accomplished by UNC and NCSU (UNC-SG-82-03 individual LPP design manual). What made them (DEM) sign-up for the guarantee of an innovative and alternative technology for which they had no experience or resources to support may never be known. How the .1900 and .0200 Rules and Regs were amended in July 1982 to include large scale Community LPP just 2 months after the individual, small-scale LPP Sea Grant "bible" was printed in May 1982 we may also never know. Why permit NOVs were not enforced and DEHNR's own report of recommendations was ignored by several State agencies is disturbing. But now Hurricane Fran has destroyed the entire network (Harrco, Intech, North State) and given **us a new set of rules**. We have seen that the ad hoc team and several agencies within the State has supported the government-funded system-wide permanent connection in both verbal and

written statements both internally and to the Federal government. Even though it makes perfect sense that FEMA dollars flow into the State to help fix this Fran-induced failure, we need to know that the State will uphold its responsibility if the funds are not forthcoming from FEMA.

What is your timeline for Governor "weigh-in" with FEMA (Suiter, Witt)?

The homeowners did not own the Community LPP utility or its infrastructure and could not have insured its loss. To the multiple hundreds of families directly and several thousand residents indirectly affected by the Hurricane Fran-induced Community LPP failure, the public utility situation before Fran was just that, "public", operated by a public utility as regulated by the NCUC. In the aftermath of Hurricane Fran, the entire Community LPP network is now operated by a government entity, the NC Utilities Commission and we are all in a continued state of emergency. **If granted, FEMA dollars would never flow through to the private sector (homeowners)** so why should there be a problem with the Stafford Act? **Immediate intervention is requested**, especially when the recent disasters in other states that are now occupying FEMA's mindshare are considered. **This situation is not an "ordinary" disaster recovery matter.** FEMA must be pushed to think "out of the box" in the next few weeks or the system-wide permanent health emergency resolution project will stall unless another source of funding is made available from the State or Federal government.

Have the numbers for the request for FEMA Disaster Recovery in the second appeal been presented/ refined?

The State must not wait for the next FEMA response to identify and address with FEMA what actual FEMA dollar amounts would flow-through to the State for temporary repair (interim patch) or restoration/ replacement (permanent connection) assuming a positive response in the short term.

What are you willing to do to guarantee health and welfare of citizens of all areas of Wake County if FEMA funds come late or not at all?

It's been over six months since Fran and Community LPP families remain in an emergency situation; their physical and emotional health and financial/ economic welfare are still threatened without a backup funding plan from the State should FEMA funds not come in time, to the amount requested or not at all. I hope you'd agree that the system-wide construction and buy-out project must not be placed on hold or lose a day of completion potential due to a lack of funds. As you stated in your March 11, 1997 letter, the Clean Water Management Trust Fund and Legislative to-be-appropriated dollars could be tapped but both require action and involvement of representatives from all portions of the State. Perhaps NC Community Assistance Funds or a portion of the Disaster Recovery Task Force requested dollars could be utilized. Also, **we are hereby formally requesting that any overpayment from the Repairs and Renovations funds resulting from the current City Council investigation be applied to this emergency** renovation of facilities that the state now controls due to the abandonment of Harrco.

Are you willing to have the AG approach the original developers/ designers/ engineers to help with solution funding, granting of easements, release of properties?

Citizen research has shown several developers were available in the 80's to help drive and implement Community LPP technology at substantial financial gain due to increased lot sales. Some of them (Benson, Eastman, Monticello Associates, Roebuck, A. Smith,

Westminster Homes, Kennedy, Kedd, Roberts) may be willing to participate in funding the decomposition of the system as well. Perhaps some of the original designers and engineers should be asked as well.

Are you aware that the Wake County Community LPP network is totally shutdown and cannot come back up?

Appointment of an emergency operator does not a healthy system make, no matter how good that operator may be. Any repairs being accomplished are minimal and interim to save the State and Feds as much incremental Pump and Haul dollars as possible while the "one for all, all for one" system-wide permanent municipal connection process is implemented. There is not adequate repair area in any field to "just fix them if FEMA dollars do not come through". Even if the construction permitting and requirements set forth in the NC Rules and Regs for experimental and innovative on-site wastewater treatment facilities (Community LPP) are ignored, to bring any of these systems within the proper operating range as suggested by law would prove as costly as if not more expensive than permanent connection for most of the subdivisions. The whereabouts of the original soils reports for most of the community fields are not available, true "as-builts" are not available and the system is in total failure.

Are you aware that there are no more public utilities in this area capable of full scale Community LPP operation?

Citizen research has now shown that at least seven(7) public utilities in Wake County have transferred franchises/ permits, abandoned their responsibilities or just walked away (TUMI-Kays, Cantebury-Roberts, North State-Osborne/Carlile, Intech, CAC, Spectrum and Harrco-Harrison) most of them having their own construction company affiliates that did the installation. All systems are under emergency operatorship with the main responsibility for operation and coordination of Community LPP clearly on the shoulders of the Utilities Commission. If only a single Community LPP remained on the system, monthly service charges would be in the range of $300-500 per homeowner; forget kids braces, forget vacations; you get the picture.

Do you know that, per current estimates, all subdivisions connecting to to-be-constructed mains or existing sewer district lines cannot obtain the permits to bid construction / perform system buyout due to the lack of funds in the April/ May timeframe?

This is the main reason we need a **"Plan B"** from you **now**.

Sincerely,

Gary McGibbon, Chairperson
Wake County Community LPP ETF
/attachments
c: Robert Bennink
J. Russell Capps
Billy Ray Cameron
John Carrington
Dr. Leah Devlin
Lauch Faircloth
Cam Frazier

Billy Ray Hall
Jesse Helms
Joe Hester
Ann Lichtner
Doug Longhini
Bill McNeil
Brad Miller
Chuck Neely
Mark Payne
Cheryl Perry
Robert Phillips
David Price
Eric Reeves
Jo Anne Sanford
Joan Weld
Lt. Governor Dennis Wicker
WC Comm LPP ETF Delegates

State of North Carolina
Department of Environment,
Health and Natural Resources

James B. Hunt, Jr., Governor
Jonathan B. Howes, Secretary
Ronald Levine, MD, MPH, State Health Director

DEHNR

March 11, 1997

Mr. Gary McGibbon
10308 Grafton Road
Raleigh, NC 27615

Dear Mr. McGibbon:

Thank you for your latest letter of February 28, 1997. I am responding on behalf of the Governor as well as myself. Let me assure you that at all levels we are continuing to address your concerns resulting from Hurricane FRAN. I have met with the representatives of the Governor's Office and the Department of Crime Control and Public Safety recently to review the situation.

We are doing everything possible to pursue resolution with FEMA. FEMA has reviewed the State's letter requesting that Wake County or the Utilities Commission be identified as the responsible agency for the LPP systems damaged by FRAN. On March 4, unfortunately, they denied the appeal. Immediately, however, the State filed a second appeal, as allowed under the law. State officials in the Emergency Management Division of the North Carolina Department of Crime Control and Public Safety are in continuous contact with FEMA on the matter and will work to facilitate a positive decision during the allotted legal review time by FEMA.

In the interim on the matter of pump and haul, the State sought and has received approval from FEMA to extend their payments. As you mentioned, the previous approval was expiring.

On the second issue you raised, which we previously discussed, the Clean Water Trust Fund remains in the developmental stages and will not be able to consider any proposals for several more months. When they have established their process for application, this project could be submitted to the Fund Board for consideration. We will notify Wake County at that time since we understand they are the ones who will make application.

With regard to the State providing up-front funding while we pursue FEMA funding, there are no additional funds available. The original $1.8 million in state funding which came from emergency funds is considered a State match for the anticipated FEMA funds. No other funds are available. Such funds would have to be appropriated by the Legislature.

We will continue to advocate to FEMA on behalf of your concerns at every level necessary. I have asked Dr. Devlin to continue to stay in contact with you as this process continues. I know that from your perspective an instant answer is the only answer, but we must adhere to the legal process with FEMA if we hope to ultimately be successful.

Thank you again. We join you and your families in hoping for a resolution as soon as possible.

Sincerely,

Jonathan B. Howes

cc: Governor James B. Hunt Jr.
Senator Marc Basnight, President Pro Tempore
Speaker Harold Brubaker, Speaker of the House
Dr. Leah Devlin, Deputy State Health Director

Wake Co. Community LPP ETF
10308 Grafton Road
Raleigh, NC 27615

Honorable James B. Hunt
Governor, NC State
116 West Jones Street
Raleigh, NC 27602

Secretary Jonathan B. Howes
DEHNR-Archdale Bldg.
PO Box 27687
Raleigh, NC 27611-7687

Senator Marc Basnight
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Legislative Bldg-2304
16 West Jones Street
Raleigh, NC 27602

Representative Harold Brubaker
House Speaker
Legislative Bldg-2304
16 West Jones Street
Raleigh, NC 27601-1096

February 28, 1997

Dear Governor Hunt, Secretary Howes, Pres Pro-Tem Basnight and Speaker Brubaker:

Although previously relayed verbally, I wanted to take this opportunity on the behalf of the WC Community LPP ETF to formally **thank you** and your staff for your commitment to the system-wide resolution of the WC Community LPP emergency health hazard. The team formed by WC Community Development, WC Environmental Health, WC Public Schools, NC Utilities Commission, the AG, ETF and others has worked diligently to stretch funding advanced while the FEMA appeals process proceeds but time has now run out.

Just as you performed "out of the box" thinking, we too believe it is now FEMA's turn to throw their support behind the funding program to put this nightmare, caused by the worst natural disaster in the history of NC, to rest for the large community of state and federal taxpayers directly or indirectly affected by the Fran-induced Community LPP network failure. As you probably already know, the last known public utility with STEP/LPP experience in this area **abandoned all fields** effective January 31, 1997. The entire WC network is now under **emergency operation procedures** with either Carolina Water Services (Charlotte) or Culligan Operating Services (Asheboro). Because of the increased urgency of our situation, we are now asking that you get involved to close the FEMA funding loop in Washington. We have given both hard and estimated LPP emergency resolution costing figures to DEHNR and the AG's office and would hope that you and the Department of Emergency Management are successful in your efforts to secure disaster-related funding.

However, we have now been informed that a positive read from FEMA on the Second Appeal or any Appeal is not expected soon for a funding flow-through to the State by May since the **original appeal for repair/replacement was never received by FEMA** (see bullet below). Interim and permanent repair costing figures that have been provided to DEHNR show that without funding in May, everything **grinds to a halt June 1, 1997**. Pump and Haul would need to be extended at a substantial fee to FEMA and/or the State and permanent abatement of the health hazard would not be possible any time soon. However, with un-interrupted funding, it is believed that most of the systems can be on-line with municipal sewer by the end of the year. This is the reason **we must now ask that the Clean Water Management Trust Fund** appropriated by House Bill 53 Article 113-145.3, Paragraphs c) sub 6 and sub 8 be seriously and immediately considered for the remainder of the "advance" funding required while the FEMA appeals work their way through the system.

Through our collective efforts (government, citizens), the resolution funding requirement is now an even smaller percentage of the total allocated under CWMTF. Since it is believed that the current legislative/ budgeting session would place additional dollars into the Fund at the start of the new fiscal year in July, perhaps you'd agree that full resolution of this emergency situation is at least as deserving as the beneficial non-emergency programs for which money has been recently allocated from other funds. **The health, safety and welfare of several thousand children, parents, grandparents and neighbors remain in jeopardy**. Some additional facts that have occurred since hundreds of them wrote to you last November support the need for a quick decision and are offered below:

- The height of the year's real estate activity is upon us with the advent of spring. In one instance, an LPP homeowner has had to put $15K in escrow and reduce the fair market price $18K to effect a sale; this represents a **26% loss in equity** for that family. In another LPP neighborhood, several builders and potential homeowners are **stuck with the high monthly principal and interest charges** as they cannot obtain a Certificate of Occupancy due to the failed LPP system to which they must connect. Several promotional job interviews/ opportunities have been lost because LPP homes cannot even be placed on the market due to the emergency. With an aggregate tax base of over $120M, is this the message we would like to send from North Carolina to relocating companies whose employees require a place to live in this area?
- The Northern Wake Expressway which should be a **boon** to Wake County and the City of Raleigh, could be a **bust** to LPP homeowners and the Pleasant Union elementary school students, families and staff on the Six Forks/ Mount Vernon Church Road emergency sewer extension project as the expressway infrastructure bids are soon let. Any delays in the sewer extension will separate the projects and **force an un-expected and costly re-routing** of the line.
- We have been forced to respond to numerous **Harrco Utility Corporation** demands for additional and pass-through dollars via the NCUC hearing process to make him whole while we are not yet whole and he is the Utility that abandoned the systems. Preparation for these events take several hundred person-hours already added to the over **2000+ person-hours** already expended by citizens to help effect a solution.
- We remain on gray water conservation measures as mandated by the public health hazard and have been recently asked to make every attempt to **further reduce our output**.
- It appears that the **original NC appeal to FEMA for interim repair and permanent replacement** (11/25/96-Billy Ray Cameron to Glenn Woodard) **was never received by FEMA** so that the 90 day "appeals clock" has not even started ticking. This missed event kills all possibility of FEMA flow-through dollars that could be used to keep the solution on-track.

The alternatives to direct state involvement from existing sources in the interim are flawed. Some that have been suggested are outlined below:

- Introduce legislation in the House to appropriate emergency dollars from the current budget cycle in the current session. This opens up the LPP problem to the entire state which would only introduce confusion and delay; the emergency would not be permanently abated. Besides, dollars have already been set aside for this purpose in the CWMTF legislation in last year's session.
- Since the precedent has been set (Bob Barker gets sewer extension in Fuquay), ask Wake County for the funding. Several funding requests have already been turned

down by the Commissioners. They didn't originally permit these systems and don't feel responsible for any flow-through of dollars, even in an emergency situation.

The most immediate milestone is **March 6** when the Federal guarantee of Pump and Haul expense payment ends. Then **June 1 and August 1** become the most critical dates with respect to funding. Almost six months after Hurricane Fran, our frustration level is once again high for resolution of an **emergency** situation we did not cause with a **failed utility** and a State-permitted infrastructure we did not own, operate and could not insure. It would help all of the neighborhoods to know that **you remain committed to the State-enabled LPP funding** resolution program and will continue to advance the funds required while other alternatives are being worked. Please let us hear from you; we await your favorable response.

Sincerely,

Gary McGibbon, Chairperson
Wake County Community LPP ETF

c: Robert Bennink
J. Russell Capps
Billy Ray Cameron
John Carrington
Dr. Leah Devlin
Cam Frazier
Billy Ray Hall
Joe Hester
Ann Lichtner
Doug Longhini
Mark Payne
Cheryl Perry
Robert Phillips
Jo Anne Sanford
Joan Weld
Lt. Governor Dennis Wicker
WC Comm LPP ETF Delegates

State of North Carolina
Department of Environment,
Health and Natural Resources

James B. Hunt, Jr., Governor
Jonathan B. Howes, Secretary

DEHNR

December 18, 1996

Mr. and Mrs. Gary McGibbon
10308 Grafton Road
Raleigh, North Carolina 27615

Dear Mr. McGibbon:

Thank you for your many letters to Governor Hunt expressing your concerns about the damage done by Hurricane Fran to your wastewater system. He appreciates your letting him know of the difficulties you, your family, and community are experiencing in the aftermath of this disaster.

I and the Governor's senior staff have met with him on this matter and he has asked me to let you to know personally that we are doing everything we can within the law and existing resources to assist in the repair of your systems, including identifying federal disaster relief resources for your preferred solution of hooking up to the City of Raleigh

The Governor's senior staff, myself, and Dr. Leah Devlin of the Department of Environment, Health and Natural Resources have worked with the FEMA staff, the Emergency Management staff, the Attorney General's Office and the Utilities Commission in seeking the best solution. Specifically, we have requested that FEMA assume the costs of pumping and transporting sewage, the removal of debris, and the reimbursement to an eligible grantee for the assessment and repair or restoration of these low pressure pipe systems.

Currently, we are appealing a number of FEMA stipulations to our original requests through appropriate channels since these low pressure pipe systems operate under the state regulatory authority as publicly regulated utilities. The state will provide up to the estimated cost of $1.8 million to eliminate public health hazard while the FEMA reimbursement is being pursued. We are hopeful that FEMA will support our appeals in order to prevent an undue economic burden for you and your neighbors. I am personally willing to do all within my power to see that these requests meet with federal approval.

I urge you to work together with your neighbors, Wake County and the City of Raleigh to use these state funds to reach the best long-term solution. We will continue to stand ready to assist you as you move through this process.

My warmest personal regards.

Sincerely,

Jonathan B. Howes

Secretary Jonathan B. Howes

P.O. Box 27687,
Raleigh, North Carolina 27611-7687
Voice 919-715-4100

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Federal Emergency Management Agency
3109 Capital Boulevard
Raleigh, North Carolina 27604

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JAN 7 1997

ATTORNEY GENERAL'S OFFICE
CRIME CONTROL

December 20, 1996

Mr. James Self
State Coordinating Officer
NC Division of Emergency Services
3109 Capital Boulevard
Raleigh, North Carolina 27604

Dear Mr. Self:

I am writing in response to your letter dated November 25, 1996 concerning the Low Pressure Pipe (LPP) sewer systems located in Wake County which were damaged by Hurricane Fran. Previously, the State of North Carolina had requested that the Federal Emergency Management Agency (FEMA) provide funding for pump and haul, debris removal and repair/replacement of the damaged LPP systems. FEMA determined that only emergency pump and haul would be eligible for reimbursement under the Stafford Act based upon the need to reduce an immediate threat to public health and safety from the damaged sewer systems. You have forwarded to me Wake County's and the N.C Utilities Commission's appeals of FEMA's September 27, 1996 eligibility determinations. You have made several recommendations concerning those appeals. I will respond separately to each issue.

I. Limitation of the pump and haul activities to six months following September 6, 1996

Pursuant to my September 27, 1996 letter to Mr. Billy Kay Cameron, FEMA agreed to fund pump and haul activity for the LPP systems damaged by Hurricane Fran for a period of six months from the September 6, 1996 disaster declaration date. FEMA initially limited pump and haul activities to a period of six months pursuant to 44 C.F.R. 206.204(c), which sets forth six months as the time period for completion of emergency work. However, funding for the emergency pump and haul activity may be extended by FEMA for up to an additional six months under 44 C.F.R. 206.204(c)(2)(ii), as long as proper justification is provided to FEMA as required under Section 204(c)(2)(ii), and that substantial progress has been made for a permanent solution.

Extension of the time period for the emergency pump and haul will be considered by FEMA on a case by case basis. You should advise FEMA of those projects needing time extensions, providing justification for the time extension, as well as providing FEMA with a time schedule for a permanent solution (by subdivision) Although time

ATTACHMENT K

extensions are within the State's authority, in this case the time extensions would require additional funding. Additional funding requires a change in the scope of work and must be approved by FEMA in advance. Therefore, all requests for time extensions on these pump and haul projects must be reviewed and approved by FEMA. maybe

II. Debris removal

You have requested that FEMA authorize and fund debris removal for the LPP systems under Sections 403 (Essential Assistance) and 407 (Debris Removal) of the Stafford Act. FEMA has already denied your request for Section 406 (Repair, restoration, and replacement of damaged facilities) debris removal because the LPP systems are not the legal responsibility of an eligible applicant (as explained in the September 27, 1996 letter). Pursuant to the Stafford Act and FEMA's implementing regulations FEMA is empowered to provide essential assistance to meet immediate threats to life, property, and public health and safety. Under this authority FEMA is funding pump and haul (as opposed to debris removal) for the LPP systems, as stated above.

FEMA is also empowered to provide debris removal when it is in the public interest However, FEMA has determined that debris removal for the LPP systems would not further reduce any threat to the public health and safety, but would only facilitate a permanent repair of the systems. As stated above, FEMA cannot fund any permanent repair or replacement of the LPP systems since based on the facts as we know them, the systems are not owned by and are not the legal responsibility of an eligible applicant. Therefore, pursuant to the Stafford Act, FEMA cannot fund debris removal for the LPP systems.

Your letter mentions that Wake County and the N.C. Utilities Commission will be appealing FEMA's determination that the systems are ineligible for permanent repair funding under Section 406. FEMA will reserve any further determinations of Section 406 eligibility until that appeal is forwarded to us.

III. Recoupment of pump and haul expenses by the State

FEMA has required the State, in conjunction with the eligible subgrantee, to use all applicable state law mechanisms, including but not limited to the use and enforcement of abatement expense property liens and bond forfeiture proceeds, to recoup the pump and haul expenses and reimburse FEMA first for the federal cost share of the pump and haul expenses associated with such recovered funds. FEMA determined eligibility for pump and haul assistance based on the State's declaration that the damaged LPP systems were an imminent hazard subject to abatement under Section 130A-20 of the General Statutes of North Carolina. The State used its authority under this section to go onto private property to complete the pump and haul. Pursuant to Section 130A-20 the Secretary or the local health director may take any action necessary to abate an imminent health hazard. Section 130A-20 goes to state, "The Department or the local health department

shall have a lien on the property for the cost of the abatement of the imminent hazard in the nature of a mechanic's and materialmen's lien as provided in Chapter 44A and the lien may be enforced as provided therein." FEMA's approval of funding for pump and haul was based in part on the State's use of this North Carolina Statute, including the lien provision. The North Carolina State Legislature has through this statute (Section 130A-20) shown its intent that state money not be used to effect a benefit to private persons. It seems clear that State money was not intended to be used to repair or maintain these LPP systems. Federal funds should be treated in the same light. FEMA, therefore, requires the State to use this lien as intended by the State legislature to prevent private gain from public funds. FEMA cannot change this requirement. We understand that this is not a simple process, but the State should use its best efforts to recover the costs of the pump and haul pursuant to any applicable State law mechanisms.

If you have any further questions, please feel free to contact me at 919-713-0200.

Sincerely,

Glenn C. Woodard
Federal Coordinating Officer

United States
Environmental Protection
Agency

Office of Water Program
Operations
Washington DC 20460

Office of Research and Development
Municipal Environmental
Research Laboratory
Cincinnati OH 45268

Technology Transfer

EPA

Design Manual

Onsite Wastewater Treatment and Disposal Systems

FROM JOHN ALLEN
EPA
AZ

EPA 625/1-80-012

DESIGN MANUAL

ONSITE WASTEWATER TREATMENT AND DISPOSAL SYSTEMS

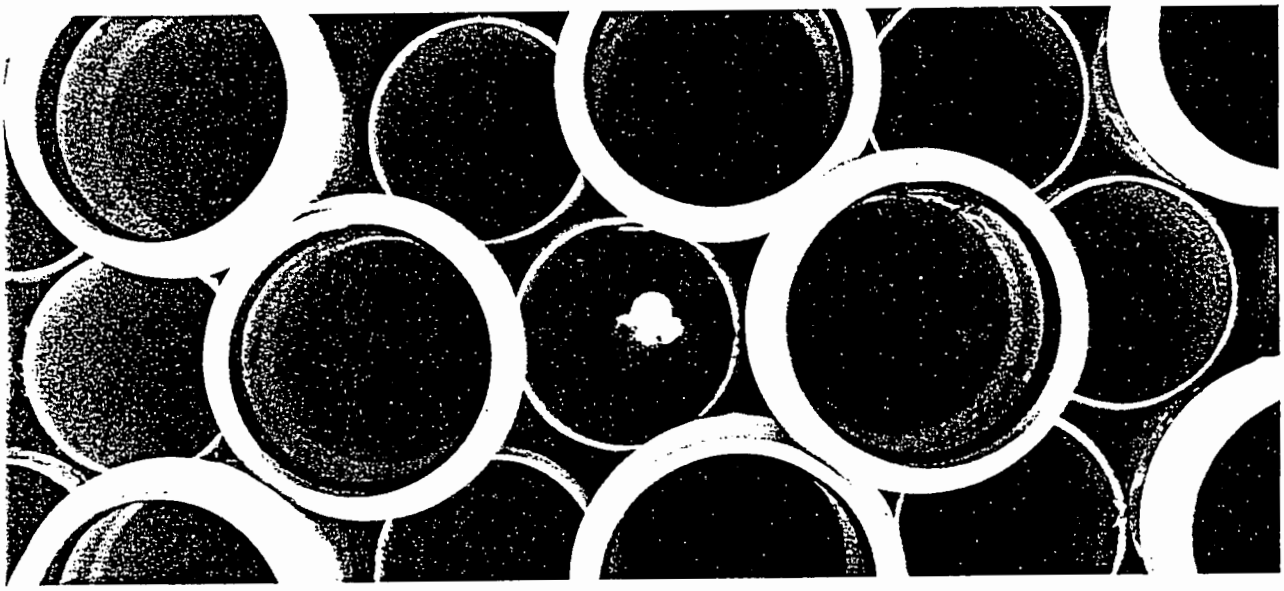
U.S. ENVIRONMENTAL PROTECTION AGENCY

Office of Water Program Operations

Office of Research and Development
Municipal Environmental Research Laboratory

October 1980

Design and Installation of Low-Pressure Pipe Waste Treatment Systems



Craig Cogger Bobby L. Carlile Dennis Osborne Ed Holland

UNC Sea Grant College Publication UNC-SG-82-03
May 1982

Design and Installation of Low-Pressure Pipe Waste Treatment Systems

Written by Craig Cogger, Bobby L. Carlile and Dennis Osborne
North Carolina State University
Department of Soil Science

Ed Holland
Triangle J Council of Governments

Designed and edited by Kathy Hart
UNC Sea Grant College Program

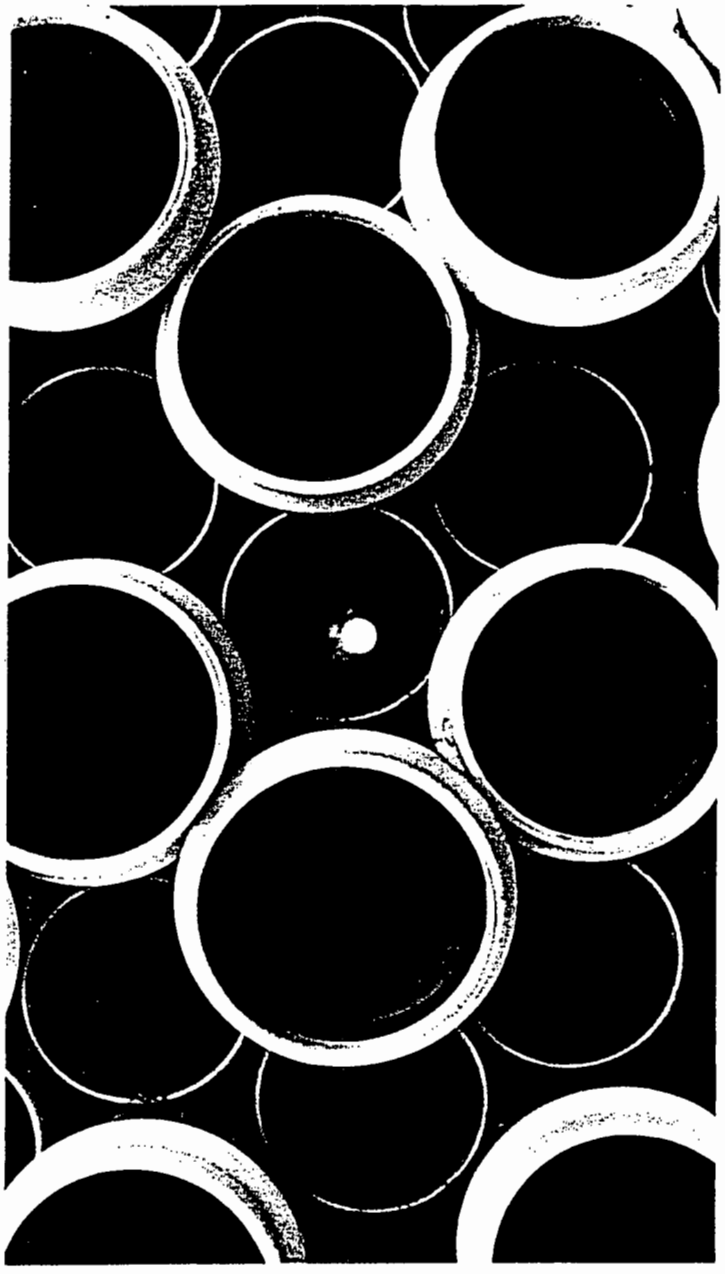
Illustrated by Timothy Howard

Cover Photo by Neil Caudle

UNC Sea Grant College Publication UNC-SG-82-03
May 1982

Pressure Dosed Septic Systems:

Electrical Components and Maintenance



Written by Claude H. House and Craig G. Cogger
N.C. State University Department of Soil Science

Pressure Dosed Septic Systems:
Electrical Components and Maintenance

Written by Claude H. House and Craig G. Cogger
N.C. State University Department of Soil Science

Edited by Kathy Hart
UNC Sea Grant College Program

Illustrated by Timothy Howard

UNC Sea Grant Publication UNC-SG-85-06
December 1985

SECTION .1900 - SEWAGE TREATMENT AND DISPOSAL SYSTEMS

Rules .1901 - .1968 of Title 15A Subchapter 18A of the North Carolina Administrative Code (T15A.18A .1901 - .1968); has been transferred and recodified from Rules .1901 - .1968 of Title 10 Subchapter 10A of the North Carolina Administrative Code (T10.10A .1901 - .1968), effective April 4, 1990.

.1901 PURPOSE
.1902 PROPER DISPOSAL
.1903 DEFINITIONS
.1904 SEWAGE DISPOSAL REQUIREMENTS
.1905 PRIVY AND SEPTIC TANK CONSTRUCTION
.1906 PREFABRICATED TANKS
.1907 MINIMUM STANDARDS FOR PREFABRICATED SEPTIC TANKS
.1908 SITE EVALUATION
.1909 APPLICATION RATES
.1910 SITE CLASSIFICATION
.1911 SPACE REQUIREMENTS
.1912 LOCATION OF SEPTIC TANK SYSTEMS AND PRIVIES
.1913 MAINTENANCE OF PRIVIES
.1914 MAINTENANCE OF SEPTIC TANK SYSTEMS
.1915 PERMITS
.1916 RESPONSIBILITIES
.1917 TECHNICAL GUIDE
.1918 SITE FACTORS
.1919 TOPOGRAPHY
.1920 SOIL CHARACTERISTICS
.1921 PERCOLATION TESTS
.1922 DETERMINATION OF SOIL SUITABILITY
.1923 AVAILABLE SPACE
.1924 OTHER APPLICABLE FACTORS
.1925 ESTIMATES OF SEWAGE QUANTITIES
.1926 POSSIBLE MODIFICATIONS OF INITIAL CLASSIFICATIONS
.1927 INTERPRETATION AND TECHNICAL ASSISTANCE
.1928 APPLICABILITY OF RULES
.1929 EXEMPTION
.1930 DISUSE OF SEWAGE SYSTEM
.1931 VIOLATIONS
.1932 CONFLICTING RULES REPEALED
.1933 SEVERABILITY

History Note: Statutory Authority G.S. 130-160; 166.23 through 166.28;
Eff. July 1, 1977;
Readopted Eff. December 5, 1977;
Amended Eff. July 1, 1982; March 31, 1981; June 30, 1980;
Repealed Eff. July 1, 1982.

.1934 SCOPE

The rules contained in this Section shall govern the treatment and disposal of domestic type sewage from septic tank systems, privies, incinerating toilets, mechanical toilets, composting toilets, recycling toilets, or other such systems serving single or multiple-family residences, places of business, or places of public assembly, the effluent from which is designed not to discharge to the land surface or surface waters.

North Carolina Administrative Code

Title 15A
Department of Environment, Health, and Natural Resources
Division of Water Quality

Subchapter 2L

Sections .0100, .0200, and .0300

Classifications and Water Quality Standards Applicable To The Groundwaters of North Carolina

Current Through November 8, 1993
Environmental Management Commission
Raleigh, North Carolina

3/13/97

DOCKET NO. W-796, SUB 12
DOCKET NO. W-796, SUB 13
DOCKET NO. W-848, SUB 16
DOCKET NO. W-957, SUB 1

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. W-796, SUB 12

In the Matter of
Harrco Utility Corporation - Request To Be)
Relived of Duties as a Public Utility and)
for Appointment of an Emergency Operator)
for All of Harrco's Sewer Utility Systems in)
North Carolina)

DOCKET NO. W-796, SUB 13

In the Matter of
Harrco Utility Corporation - Request for Approval)
Of Pass-Through Assessment from Customers) PUBLIC STAFF'S COMMENTS
To Cover Revenue Shortage)

DOCKET NO. W-848, SUB 16

In the Matter of
North State Utilities, Inc. - Appointment of)
Emergency Operators Pursuant to)
G.S. 62-118(b))

DOCKET NO. W-957, SUB 1

In the Matter of
Unauthorized Abandonment of Utility Service)
at Yates Mill Run Subdivision, Wake)
County, North Carolina, by Intech Utilities,)
Inc.)

NOW COMES THE PUBLIC STAFF - North Carolina Utilities Commission, by and through its Executive Director, Robert P. Gruber, and offers the following comments:

1. On March 11, 1997, Harrco Utility Corporation (Harrco) filed what was identified variously as an "accounting," a "report," and "financial reports." The cover letter attached to the filing states that the "collective reserve balance" for the North State Systems which Harrco was serving as emergency operator is $60.988.86 and that the "reserve" for the Yates Mill Run system is $19,952.55. The Commission's Order of January

31, 1997, in Docket No. W-796, Sub 12, requested the Public Staff to comment on "Harrco's final accounting and refund plans." The Public Staff has not had adequate opportunity to review this filing and will not, therefore, comment on its substance. On its face, however, the filing does not appear to be sufficient either as a final accounting or as a refund plan.

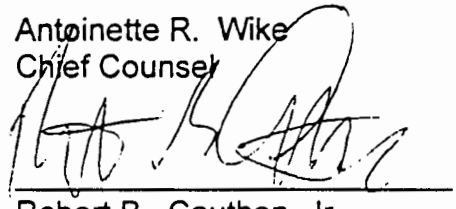
2. In the cover letter attached to this filing, Harrco proposed to pay the "reserve balances" to the Commission "to be held in trust for the NSU and YMR customers." by turning over $25,721.66 of the "monies due Harrco Utility Corporation for damage incurred by Hurricane Fran to its systems," by transferring the forfeited Harrco Utility bond funds in the amount of $40,000, and with a check drawn on the account of Harrco in the amount of $15,219.75. The Public Staff notes that the Commission has not yet ruled on Harrco's request for an assessment to recover damages from Hurricane Fran. The Public Staff further notes that the proceeds of Harrco's bonds were forfeited upon the appointment of an emergency operator for Harrco's systems on January 31, 1997. These funds are in the possession and under the control of the Commission. Harrco cannot transfer them to anyone, in trust or otherwise. Furthermore these funds are intended primarily for the systems for which Harrco held franchises. The Public Staff believes that all other Harrco assets should be exhausted before bond proceeds are expended in this manner.

3. In view of the facts that Harrco's "report" does not include the inventory ordered by the Commission in the Order of January 31, 1997 and that Harrco has not filed a plan to refund its overcollections to customers, the Public Staff must take issue with Harrco's assertion that its report "concludes Harrco Utility Corporations contract with the NCUC to provide emergency operator services." The Public Staff respectfully recommends that the Commission not accept the check tendered by Harrco and that the Commission advise Harrco that Harrco has not been excused from fulfilling its remaining responsibilities as emergency operator.

Respectfully submitted this the 13th day of March, 1997.

PUBLIC STAFF
Robert P. Gruber
Executive Director

Antoinette R. Wike
Chief Counsel



Robert B. Cauthen, Jr.
Staff Attorney

430 North Salisbury Street
Post Office Box 29520
Raleigh, North Carolina 27626-0520
Telephone:(919) 733-6110

CERTIFICATE OF SERVICE

I certify that a copy of these Comments has been served on all parties of record or their attorneys, or both, by depositing a copy in the United States Mail, first class postage prepaid, properly addressed.

This the 13th day of March, 1997.

Robert B. Cauthen, Jr.

Copies

WAKE COUNTY DEPARTMENT OF HEALTH
P.O. BOX 14049 / RALEIGH, NORTH CAROLINA 27620 / (919) 250-4400

April 9, 1996

Mr. Lex Harrison, President
Harrco Utility Corporation
8601 Barefoot Industrial Road
Raleigh, North Carolina 27613

Subject: Inspection (Notice of Violation)
Stone Bridge VI Subdivision, LPP System
Permit No.: W0000750

Dear Mr. Harrison:

An inspection was conducted on the subject system by Everette Lynn on March 28, 1996. Also present was Lex Harrison and staff of Harrco Utility Corporation. The system was found to be in non-compliant status due to surfacing effluent on an isolated area upslope from the dose station. Delivery rates were also observed to be quite low for pump 2 (subsequent to additional flushing). The following comments/recommendations are offered (refer to the attached inspection report):

1. An area of surfacing effluent was observed upslope from the dose station. This area is somewhat depressional and is likely concentrating surface runoff. Potential repair options were discussed with the operators including placement of fill and relandscaping to improve surface drainage and possible increase in void space in proximity to lateral holes in this area.

2. Delivery rates were observed to be low, particularly for pump 2 (26.1 percent subsequent to additional flushing). As specified in Permit condition VII.4., please supply a plan and timetable for review and approval to achieve a minimum of 50 percent of design delivery or document why this rate is not needed.

3. Please supply operator reports in a timely manner and indicate any repairs or upgrades accomplished or proposed for septic tank/effluent pump tank (STEP) systems beyond those reported on STEP evaluation reports.

4. Please refer to Permit condition VII.3. and appraise this office of status of groundwater monitoring and well abandonment.

Pipeline

Small Community Wastewater Issues Explained to the Public

Wastewater Treatment Protects Small Community Life, Health

A lot of publicity has been given recently to a growing trend across the U.S. City dwellers are moving to small towns and rural communities in search of a better quality of life. Quiet green countryside, friendly neighborhoods, and pristine lakes, streams, and rivers—the ideals of rural living—are valued by longtime small community residents as well.

What often receives less attention are the challenges that many of these small communities face in maintaining their quality of life. For example, a surprising number of households in small and rural communities in the U.S. lack adequate facilities for the proper collection, treatment, and disposal of wastewater—all essential to protecting the environment and the health of the public. *(See the article, "Still Living Without the Basics," on page 2.)*

In fact, ensuring proper wastewater treatment and disposal is as important for protecting community health as drinking water treatment, garbage collection, and immunization programs. Untreated wastewater can spread disease and contaminate drinking water sources.

But most Americans give little thought to what happens to their wastewater, and the availability of safe, clean drinking water is often taken for granted. Cholera and other wastewater-related diseases are generally viewed as threats only for other, less developed countries.

Not so, according to a report released in May by the American Academy of Microbiology. Complacency about wastewater treatment can be dangerous.

The report, titled *A Global Decline in the Microbiological Safety of Water: A Call for Action*, estimates that, worldwide, 80 percent of infectious diseases may be water related. Diarrheal diseases traced to contaminated water kill approximately 2 million children and cause about 900 million episodes of illness each year.

In a public statement about the report, Rita Colwell, Ph.D., D.Sc., president of the University of Maryland Biotechnology Institute and chair of the academy's board of governors, warns, "Microbiologically safe drinking water can no longer be assumed, even in the United States and other developed countries, and the situation will worsen unless measures are taken in the immediate future—the crisis is global."

The report makes several conclusions and recommendations for improving global water quality, including the need to educate governments and the public about the risks of diseases caused by contaminated water.

Examples of recent large-scale outbreaks of the waterborne illness cryptosporidiosis in the United Kingdom, Canada, and Milwaukee, Wisconsin, help to illustrate the potential risk to developed countries. Cryptosporidiosis is caused by a microorganism found in water contaminated by human or animal feces. *(See the articles on wastewater-related diseases beginning on page 3.)*

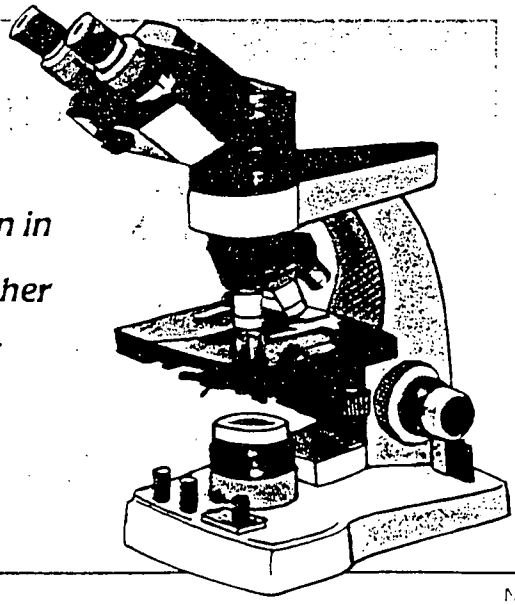
The report describes the 1993 Milwaukee cryptosporidiosis outbreak as the largest recorded outbreak of waterborne disease in U.S. history, affecting approximately 400,000 people—about one-fourth of the city's population—and killing 104 people.

However, most outbreaks of waterborne illnesses in the U.S. can be traced to individual wells or small community systems. Drinking water contaminated by sewage is a principal cause.

This issue of *Pipeline* examines the importance of wastewater treatment for protecting the health and environment of small communities. Some of the potential

"Microbiologically safe drinking water can no longer be assumed, even in the United States and other developed countries . . ."

Chair of the American Academy of Microbiology's Board of Governors



How Are Diseases Spread from Wastewater?

Humans "catch" diseases from wastewater in a variety of ways. Pathogens in wastewater may be transmitted by direct contact with sewage, by eating food or drinking water contaminated with sewage, or through contact with human, animal, or insect carriers.

For example, direct contact might accidentally occur as a result of walking in fields fertilized with untreated wastes, playing or walking in a yard with a failed septic system, touching raw sewage disposed of in open areas, swimming or bathing in contaminated water, or working with or coming into contact with animals or wastewater and not following proper hygiene.

Houseflies can be used to illustrate the dangers posed by disease carriers. Flies, which have tastebuds on their feet, always land directly on the food they eat—and on any given day, that could mean raw sewage (a fly favorite) followed by picnic food. The hairs on a housefly's body can carry millions of pathogens, which then brush off on anything the fly touches.

By making sure that wastewater is treated and disposed of properly, communities can control the spread of disease by flies and other disease carriers, such as rats, lice, cockroaches, and mosquitoes.

By controlling the population of these animals and insects, communities also help to control the other, nonwastewater-related diseases they may carry.

But by far the most common way that people contract diseases from wastewater is through the fecal-oral route, or in other words, by eating food or drinking water contaminated by sewage or by not washing hands after contact with sewage.

In communities where wastewater treatment is inadequate or nonexistent, the opportunities for people to become infected seem endless. For example, people have become ill by doing the following:

- drinking contaminated water, juices made with water, or other beverages made with contaminated water or ice;
- eating food improperly handled by infected people or carriers (often workers in restaurants or food processing facilities);
- eating vegetables and fruits contaminated by irrigation with polluted water or fertilized with untreated sewage or sewage sludge;
- eating meat or drinking milk from animals that grazed on contaminated pasture or drank contaminated water;
- eating fish or shellfish grown, caught, or harvested in contaminated water; and
- eating food exposed to flies or vermin that feed on or come into contact with sewage.

Diseases contracted by drinking contaminated water or eating contaminated food are often referred to as waterborne and foodborne diseases.

What Diseases Are Commonly Caused By Wastewater?

Bacteria, viruses, and parasites (including worms and protozoans), are the types of pathogens in wastewater that are hazardous to humans. Fungi that can cause skin, eye, and respiratory infections also grow in sewage and sewage sludge. Scientists believe there may be hundreds of disease-causing organisms present in sewage and wastewater that have yet to be identified.

Diseases Caused by Bacteria

Bacteria are microscopic organisms that are responsible for several wastewater-related diseases, including typhoid, paratyphoid, bacillary dysentery, gastroenteritis, and cholera.

Many of these illnesses have similar symptoms, which vary in severity. Most infect the stomach and intestinal tract and can cause symptoms like headache, diarrhea (sometimes with blood), abdominal cramps, fever, nausea, and vomiting. Depending on the bacteria involved, symptoms can begin hours to several days after ingestion.

Often, infected people will experience only mild symptoms or no symptoms at all. However, anyone experiencing frequent diarrhea and vomiting should seek medical attention immediately. Severe dehydration and death can result with serious cases, sometimes within a day.

Typhoid

Early in this century, typhoid fever was a major cause of death from outbreaks of waterborne disease in this country. Today, water and wastewater treatment has almost eliminated this highly infectious disease in developed countries, but it continues to be a problem in many areas of the world.

Typhoid symptoms often include fever, constipation, loss of appetite, nausea, diarrhea, vomiting, and abdominal rash.

In January 1996, an outbreak of typhoid fever was reported in Ain Taya, Algeria, with 910 suspected cases. The cause was traced to sewage contaminating the water reservoirs after a sewage pipe had been damaged during construction work.

Cholera

Cholera is another waterborne bacterial disease that used to be responsible for recurring outbreaks in the U.S. It is again a threat in much of the world.

Cholera spreads quickly, especially in areas where people live in crowded conditions without toilets or clean water. Outbreaks also result from people eating contaminated seafood.

Since 1961, there has been a devastating global epidemic of cholera, which spread to this part of the world in 1991. A Chinese freighter that dumped its wastewater into the harbor at Lima, Peru, is suspected of having brought the disease to Latin America for the first time in more than 100 years. The epidemic quickly spread to Ecuador, Colombia, Chile, and north to Mexico. At least 10,000 deaths and 1 million cases have been reported to the Pan American Health Organization from Latin America alone.

Continued on page 4

Why Every Community Needs Wastewater Treatment

Still Living Without the Basics



According to a report by the Rural Community Assistance Program (RCAP), a surprising number of rural households in the U.S. still lack the basics for ensuring sanitary conditions.

Using 1990 U.S. Census Bureau data, the report shows that almost one-third of all rural households, or 1.1 million rural Americans, live without one or more of the following in their homes: a flush toilet, bathtub or shower, sink, and a tap supplying hot and cold water that is safe to drink.

The report, titled *Still Living Without the Basics*, states that indoor plumbing is vital for the health and safety of rural people and "the lack of a safe water supply and wastewater facilities adversely affects a community's capacity for economic development and detracts from the overall quality of life."

The report also points out that, while households lacking complete plumbing are located in all parts of the country, it is primarily a rural problem. Rural elderly and children are among the groups most affected and are also more vulnerable to the health risks posed by living without indoor water or indoor wastewater facilities.

For more information about the report or to request a free copy, write to Dana Weber, RCAP, 602 South King St., Suite 402, Leesburg, VA 22075, or call (703) 771-8636.

Even if controlling gases and odors from sewage weren't reason enough, every community needs to treat its wastewater because of the serious health problems it can cause. Although this may seem obvious, untreated wastewater is still the root cause of much environmental damage and human illness, misery, and death around the world.

Sometimes it is useful to reexamine basic ideas like why wastewater treatment is important, especially today when so many communities need to save money and reprioritize their needs and funding for public projects.

What is in wastewater?

Sources of wastewater from small communities include homes, farms, hospitals, and businesses. Some communities have combined sewers that collect both wastewater and storm water runoff from streets, lawns, farms, and other land areas. So wastewater can include any debris from streets and waste oils, pesticides, fertilizers, and wastes from humans and animals.

Wastewater from a typical household might include toilet wastes; used water from sinks, baths, showers, washing machines, and dishwashers; and anything else that can be put down the drain or flushed down the toilet.

What makes wastewater so dangerous?

Feces and urine from both humans and animals carry many disease-causing organisms. Wastewater also may contain harmful chemicals and heavy metals known to cause a variety of environmental and health problems.

Disease-causing organisms (pathogens) from humans can enter a community's wastewater from patients at hospitals, or from anyone who is sick or a carrier of disease. Carriers may not have symptoms or even know they have a disease.

Animal wastes often enter from farms, meat packing and processing facilities, and from rats and other animals found in or around sewage or sewers.

Much of our wastewater, treated or untreated, eventually ends up in our rivers, streams, lakes, and oceans—sometimes via groundwater, the underground water source we tap for well water. We often assume that groundwater is pure—and it usually is—but unfortunately, well water contaminated by sewage is a common cause of outbreaks of wastewater-related diseases.

When untreated wastewater reaches water used as a drinking water source for the community, there can be significant health risks. The effectiveness of drinking water treatment can be reduced when water is heavily contaminated with waste. To ensure safe drinking water, communities need both effective water and wastewater treatment.

In addition, communities need to make sure that untreated wastes are not disposed of improperly on land where people can come in direct contact with it or where it can attract disease-carrying insects or animals.

Wastewater Treatment Protects Small Community Life, Health

Continued from page 1

health and environmental risks posed by inadequate treatment are also described.

You are invited to share, copy, or distribute any of the information in *Pipeline* with others in your community. The articles may be reprinted or photocopied and included in local newspapers or in flyers, newsletters, and educational presentations. We ask only that you send us a copy of the reproduced article for our files.

Pipeline can also be ordered in bulk for distribution. To place an order, or to obtain further information about any of the topics in this newsletter, please contact the National Small Flows Clearinghouse at (800) 624-8301.

Copies of the report from the American Academy of Microbiology can be obtained through written requests via fax, (202) 942-9380; e-mail, academy@asmusa.org; or to the Academy at 1325 Massachusetts Ave., NW, Washington, DC 20005.

National Small Flows Clearinghouse 1-800-624-8301

Philip J. Ryan
10625 Leslie Dr.
Raleigh NC 27615

As time is very limited, I would like to ask you 20 questions which you can answer silently to yourself -- I will share my answers with you based upon the knowledge I have gained over the past 9 months since Hurricane Fran.

I have organized my questions into four categories:

Authorization By The State	
1. Did the State Approve the LPP/Step Systems?	Yes
2. Did the State License the LPP/Step Systems?	Yes
3. Did the State Regulate the LPP/Step Systems?	Yes
4. Should home buyers have felt secure about buying a home on an LPP/Step System	Yes
Environment	
5. Were the LPP/Step Systems new and unproven technology in Wake County?	Yes
6. Were the LPP/Step Systems allowed in the Watershed?	Yes
7. Is waste water surfacing today?	Yes
8. Were ground wells established and monitored to assure water quality?	No
9. Were and are violations being addressed in a timely manner?	No
10. Would Wake County allow LPP/Step Systems to be built today?	No
Utility Company	
11. Is Harrco recognized as a municipal utility company by FEMA?	No
12. Is the home owner eligible for federal assistance?	No
13. Could the home owner have purchased insurance?	No
14. Was the "utility" adequately capitalized?	No
15. Were the LPP/Step systems properly maintained?	No
16. Why are the home owners forced to pay $55.10 to a "utility" when the communities are on Pump/Haul (Federal/State Funded)?	?
17. Why has Harrco refused to allow their books to be audited?	?
Help	
18. Is there a single governmental agency with the authority to resolve this problem?	No
19. Would you buy a home without a sewer system?	No
20. Should the home owner, who purchased in good faith, be responsible for several thousand of dollars for a new sewer system when the State created, aided and abated the continuation of a sewer system/problem in the watershed?	No

My answer is no and I hope that yours would be no also. I urge all the members of this committee to vote favorable on House Bill 1011 and do all in your power to help assure it's passage in the full House.

Thank you.

Minutes

House Appropriations Sub-Committee on

Natural and Economic Resources

July 7, 1997 - 2:00 p.m.

The House Appropriations Sub-Committee on Natural and Economic Resources met on Monday, July 7, 1997 at 2:00 p.m. in Room 1027 of the Legislative Building. Representative Frank Mitchell, Senior Co-Chair, called the meeting to order at 2:00 p.m. Members present were Representatives Mitchell, Baker, Carpenter, Culp, Fox, Hall, Owens, and Tolson.

After introductions, Representative Mitchell reviewed the sub-committee's recommendations. One of the recommendations was to invite Harrco and North State but no representatives were present. Other recommendations were to review the cost estimates with the Sub-Committee and discuss the problem of ownership.

Mark Trogdon of the Fiscal Research Division reviewed a handout entitled Harrco/Inteck LPP System Cost Estimates which was provided by Wake County. The working group learned the State was funding $1.9 million which covers pump and haul costs, and interim repairs. $1.6 million remains which will address long-term needs until a permanent solution can be made. The Governor has agreed to provide the funds which will cover engineering and construction costs. Representative Mitchell noted the handout that gave the cost estimates to hook up the homes in each subdivision which Mr. Trogdon further explained. He also reviewed the State funds and the per homeowner costs after the State funds. It should be noted that Yates Mill Run has secured financing, and River Oaks and Sheffield Manor are in the process of working out private financing.

Representative Owens asked how much more funding is needed to complete the project. Mr. Trogdon replied the estimated pump and haul cost is $78,232 (until March, 1998).

Mr. Trogdon noted another item for discussion was the ownership of the collection systems. There is some question of who owns the collection system in the street and the actual fields where the city would need the right of way. Mr. Robin Cauthen of the Utilities Commission explained the Attorney General's Right of Way Division and the Commission's attorney have spent time working on a title search. From that, it looks as if Harrco owns very little in real property and have an arguable title to the pipes, and they have easements which may have expired. Representative Mitchell asked was there any-one in attendance from Harrco and nobody was acknowledged. Representative Hall asked what is the size of the field. Doug Longhini of Wake County responded the fields that were used are several acres but won't be used once the

connection to the City is made. Representative Hall continued to ask what would happen to the land once it is bought back. Mr. Longhini responded the area could be developed if it was large enough to hold a septic tank. He continued by saying the ownership of the fields probably belong to the original developers. Representative Owens asked what could be done to either force Harrco out or fine them. Karen Long from the Attorney General's office explained the legal abandonment of Harrco. To require them to repair the system, you would have to negate the abandonment which is uncharted territory. Mr. Cauthen added that Harrco hasn't been released as a utility, and they do hold a permit from DEHNR. Representative Mitchell asked Richard Whisnant from DEHNR about fining Harrco under their per-mitting process. Mr. Whisnant replied that DEHNR has the power to fine the permittee for a willful violation of their permit, and the fines are $300 a day. He noted if there is a discharge into the surface waters that is coming from this type of system that isn't being caused by a storm event, it can be traced and fine the operator. Representative Owens asked if anyone has spoke with representatives from Harrco to see if they will sign over the ownership. Mr. Longhini responded that Mr. Lane Horton, the outside attorney for the Commission, has talked with them, and there has been a proposed settlement discussed. Representative Hall asked who owns the property once it is abandoned. Ms. Long responded the chain of title of the ownership is being traced by the Highway Department Section of the Attorney General's office which is very complicated and should be known in two weeks. She added that the interest the utility has is also a question. Representative Hall remarked he has a problem paying someone who has abandoned the system. Ms. Long remarked that FEMA may request a lien on some of the fields to pay for the pump and haul. Representatives Capps, sponsor of House Bill 1011, noted that files state that Harrco will be responsible for any damage or failure which shows ownership. Mr. Whisnant again quoted the statute pertaining to violations. Representative Owens asked if the language had been amended in the law that would make low interest loans available or was it determined it wasn't necessary. Representative Mitchell responded the figures are an assumption at this time. Representative Mitchell asked Dempsey Benton, Raleigh City Manager, what kind of funding is available. Mr. Benton replied that a type of revenue bond would be available from the City with a commitment from the homeowner to pay back over a 20 year period. Representative Hall asked what would the interest rate be at the present time. Mr. Benton replied the rate would probably be in the range of 5 ½-5 ¾%. Representative Fox asked how long would it take to have this financing in place. Mr. Benton replied the financing could be in place in 60 to 90 days, and securing agreements with the homeowner would be on another timetable. Representative Mitchell asked what could the County offer. Mr. Longhini replied the County could set up separate projects which would allow the assessment of the homeowner for the cost of the project over a period of 10 years not to exceed the interest rate of 8 %. The County would allow North State failures (prior to the Harrco system failures) an interest rate between 5-5 ½ %. This would take action from the Board of Commissioners which hasn't been considered at this time. Representative Mitchell asked what kind of funding was made available to other developments in the County. Mr. Longhini replied funding was made available through direct grants from the State at $1,500 per housing unit, and low interest loans through the State Water and Sewer Fund at the interest rate of 3.2%. Representative Mitchell added and Mr. Longhini

explained that the Yates Mill Run subdivision has secured an SBA loans at 4% over 30 years. Representative Mitchell asked Gary McGibbon, Director of Community LPP Task Force, if he thought the home-owners would agree to this. Mr. McGibbon replied the homeowner couldn't afford the cost which would be $152 a month for 10 years. Representative Mitchell asked Mr. Benton how the pumps would work once they were connected to the City. Mr. Benton replied using the remnants of the existing system that is located in the street would be more cost effective. The City would pick up at the location of the collection field. He further explained the City would put a pump station at the collection field. Representative Mitchell asked Mr. Cauthen if all of the subdivisions were in the same situation. Mr. Cauthen replied they are and explained the pumping process.

Mr. Trogdon explained what the buy-out cost would be to Harrco. Representative Fox asked if $133,000 was included in the $4 million in which Representative Mitchell replied it was. Representative Capps remarked any assistance from the Sub-Committee to force action from Harrco would be worthwhile. Representative Mitchell replied the Sub-Committee probably couldn't but DEHNR could by imposing fines once ownership is determined. Representative Owens commented that Harrco should be approached and be forced to give up ownership or expect to be fined. Representative Capps added that Harrco has sued the homeowners through the Utilities Commission. Representative Fox asked how can anything be done until Harrco is out of the picture. Representative Mitchell replied nothing will be funded until Harrco is out. He continued by noting the committee substitute. Representative Hall moved adoption of the committee substitute. By a unanimous vote, the motion carried. Susan Iddings, Staff Attorney, explained the proposed committee substitute which requires a joint status report presented no later than October 15, 1997 to the Environmental Review Commission, and prepared by the Department of Commerce, DEHNR, and North Carolina Utilities Commission. Representative Owens asked what the interest rate was on loans used for failing systems which is 2.91%. He continued by asking if legislation is needed to clarify the language so that funds could be used for low pressure systems. Bobby Blowe from the Division of Water Quality replied there is a small amount of funding available and verified the interest rate mentioned previously was right. Representative Owens asked how much was available in the fund. Mr. Blowe replied there is $300,000 available in the emergency loan account. Representative Owens asked about the funding through the Clean Water Management Trust Fund which Representative Mitchell explained the process. Mr. Longhine added that Wake County did apply for a low interest loan via North State but the County is too affluent to qualify for the loans. Representative Culp asked would SBA loan do for the subdivision. Representative Mitchell replied it would allow the residents use the funds to connect to City sewer. He noted that the committee substitute needed to be amended so that the Environmental Review Commission would have the authority to have a continuing oversight role in this issue. Representative Baker made a motion to allow staff counsel to amend the committee substitute which would allow ERC to have a continuing oversight role. By a unanimous vote, the motion carried.

At this point, Representative Mitchell allowed a few members of the audience to address the Sub-Committee. Their comments were limited to three minutes are as follows.

Ed Harvey
Mr. Harvey said a major point is being missed. Low interest loans do not help the situation. Home-owners can't take on the additional debt, and it will bankrupt many families in this situation. The homeowners aren't responsible. This is a health emergency. This is an economic windfall for Wake County.

Cathleen McGibbon
Mrs. McGibbon had numerous copies of documentation that were explained and shown to the members. She felt there had been a cover-up by all parties, and public input hasn't been allowed.

(Representative Mitchell noted there were materials given to the members from the Task Force for their review).

Representative Mitchell conveyed his thoughts on the matter, and noted the Governor has agreed to leave $1.9 million for the purpose of pump and haul, and repairs. He understood the homeowner's frustration because others across the State have been in the same situation. The only way the Sub-Committee can help the homeowner is to ask DEHNR, the Department of Commerce, and the Utilities Commission to continue working towards a solution with Harrco and move from that point. Representative Owens asked what the status of $500 million federal funds. Representative Mitchell responded he understood if the State receive federal funds, they would go to the coastal regions and Kinston (on a priority basis). Representative Hall made a motion for a favorable report to the committee substitute as amended by staff. By a unanimous vote, the motion carried.

The meeting adjourned at 2:55 p.m.

Respectfully submitted,

W. F. Mitchell
Representative Frank Mitchell
Senior Co-Chair

Susan Thomason
Susan Thomason
Clerk

House Appropriations Subcommittee
Natural and Economic Resources

Monday, July 7, 1997
2:00 p.m.
Room 1027/1128, Legislative Building

AGENDA

I. **CALL TO ORDER**

Representative Frank Mitchell, Co-Chair

II. **REVIEW OF SUBCOMMITTEE REPORT**

III. **DISCUSSION OF COLLECTION SYSTEM OWNERSHIP**

IV. **COMMITTEE DISCUSSION AND RECOMMENDATIONS**

V. **ADJOURNMENT**

Appropriations Subcommittee
Natural and Economic Resources
July 7, 1997
2:00 p.m.

Guests Attending

NC Utilities Commission-Public Staff

Mr. Robin Cauthen-Attorney
Mr. Danny Stallings-Accountant (Water Issues)
Mr. Ron Brown-Engineer (Water Issues)

Wake County

Mr. Richard Stevens-County Manager
Mr. Douglas Longhini-Community Development
Mr. Rick Rowe-Environmental Health
Mr. Mike Aull-Facilities Design and Construction
Mr. Demetric Potts-Community Services

City of Raleigh

Mr. Dempsey Benton-City Manager

DEHNR

Dr. Leah Devlin-Deputy Health Director
Dr. Linda Sewell-Director, Environmental Health

General Assembly Staff

Ms. Mona Moon-Fiscal Research
Mark Trogdon-Fiscal Research
Ms. Emily Johnson-Bill Drafting

1997 PERMANENT SUBCOMMITTEE REPORT
HOUSE OF REPRESENTATIVES

FOR RECOMMENDING BILLS TO STANDING COMMITTEE OR TO THE FLOOR OF THE HOUSE
The following report(s) from permanent sub committee(s) is/are presented:
By Representative(s) Mitchell, Baker, Carpenter for the Permanent Subcommittee on Natural and Economic Resources of the Standing Committee on APPROPRIATIONS.

☐ Committee Substitute for
H.B. 1011 ☐A BILL TO BE ENTITLED AN ACT TO CREATE THE LOW PRESSURE PIPE NETWORK REPLACEMENT EMERGENCY FUND.

REPORTED TO THE STANDING COMMITTEE ON

RECOMMENDED ACTION:

☐ With a favorable recommendation.

☐ With a favorable recommendation and recommend that the bill be re-referred to the Committee on

☐ With a favorable recommendation, as amended.

☐ With a favorable recommendation, as amended, and recommend that the bill be re-referred to the Committee on

☐ With an unfavorable recommendation.

☐ With a favorable recommendation as to proposed committee substitute bill which changes the title, unfavorable as to original bill.

☐ With a favorable recommendation as to proposed House committee substitute bill, which changes the title, unfavorable as to Senate committee substitute bill.

☐ Without prejudice.

☐ Other recommended action: _____

WITH APPROVAL OF STANDING COMMITTEE CHAIR FOR REPORT TO BE MADE DIRECTLY TO THE FLOOR OF THE HOUSE:
Rep. Holmes, Creech, Esposito, Crawford for the Standing Committee on APPROPRIATIONS.

s/ George M. Holmes

☐ With a favorable report.
☐ With a favorable report, as amended.
☒ With a favorable report as to committee substitute bill, ☒ which changes the title, unfavorable as to original bill.
☐ And having received a unanimous vote in committee, be placed on the Consent Calendar. (PUBLIC BILLS ONLY)

4/24/97

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

H 1

HOUSE BILL 1011

Short Title: Low Pressure Pipe Emerg. Funds. (Public)

Sponsors: Representatives Capps; Eddins, Hensley, Mosley, and Neely.

Referred to: Appropriations.

April 21, 1997

A BILL TO BE ENTITLED

AN ACT TO CREATE THE LOW PRESSURE PIPE NETWORK REPLACEMENT EMERGENCY FUND.

The General Assembly of North Carolina enacts:

Section 1. Chapter 162A of the General Statutes is amended by adding a new Article to read:

"ARTICLE 8.

"Low Pressure Pipe Network

Replacement Emergency Fund.

"**§ 162A-110. Definitions.**

(1) Fund. -- Low Pressure Pipe Network Replacement Emergency Fund created pursuant to this Article.

(2) Pump and haul. -- Pumping of the liquid waste (effluent) from the common collection tank by a carrier into their equipment for transportation to a municipal sewer connection point where it is discharged.

(3) Infrastructure. -- All effluent transport and delivery piping, pumps and storage/treatment tanks from the private/public right-of-way interface at the street for each homesite or from the schoolsite to and including the common collection area utility lot.

"**§ 162A-111. Fund: established; earnings.**

(a) Fund Established. -- There is established the Low Pressure Pipe Network Replacement Emergency Fund in the State Treasurer's Office. The fund shall be administered by the Department of Commerce.

(b) Fund Earnings, Assets, and Balances. -- The State Treasurer shall hold the Fund separate and apart from all other moneys, funds, and accounts. Investment earnings credited to the assets of the Fund shall become part of the Fund. Any balance in the Fund at the end of any fiscal year shall be carried forward in the Fund for the next succeeding fiscal year. Payments from the Fund shall be made on the warrant of the Department of Commerce.

"**§ 162A-112. Fund: purposes.**

(a) Moneys from the Fund may be used to finance projects to provide for the interim repair, permanent connection, and system buy-out of failed community and public school low pressure pipe systems. Moneys from the Fund may also be used for any of the following purposes associated with the permanent connection of community low pressure pipe systems to municipal sewer treatment systems:

(1) Interim repair costs to mitigate pump and haul charges until permanent connection can be made.

(2) Design, engineering, bidding, and construction costs with five percent (5%) contingency.

(3) Costs of acquisition of easements necessary for permitting the construction.

(4) Municipal and county impact fees, system buy-out fees, and tap-on fees.

(5) Community low pressure pipe field system kill costs after connection.

"**§ 162A-113. Fund: grant criteria and eligibility.**

(a) Any unit of local government may apply for a grant under this section on behalf of its citizens.

(b) The criteria for issuing a grant under this Article is as follows:

(1) The low pressure pipe system has failed or has been declared a public health risk nuisance by the appropriate county environmental health agency;

(2) The infrastructure can not be fully rebuilt to satisfy county health code requirements; and

(3) The economies-of-scale needed to reactivate the low pressure pipe system are nonexistent.

(c) The Department of Commerce shall select the applicants to receive grants under this Article and shall administer the grants.

(d) Notwithstanding any other provision of law, the Department of Commerce shall award grants for the 1997-98 fiscal year to Wake County to be allocated as grants for the following areas: Stonebridge VI, Stone Creek, Park Ridge, Hollybrook, Woods of Tiffany, Banbury Woods, River Oaks, Sheffield Manor, Monticello, Yates Mill Run, Manchester, Pleasant Union School, and Saddleridge.

"**§ 162A-114. Fund: certain funds from the Clean Water Management Trust Fund reserved to the Low Pressure Pipe Network Replacement Emergency Fund.**

(a) The Clean Water Management Trust Fund is established in G.S. 113-145.3. Of the funds reserved to the Clean Water Management Trust Fund in accordance with

G.S. 143-15.3B, the State Controller shall reserve to the Low Pressure Pipe Network Replacement Emergency Fund the sum of eight million dollars ($8,000,000). Those funds in the Low Pressure Pipe Network Replacement Emergency Fund shall be used only in accordance with this Article.

(b) The funds reserved to the Low Pressure Pipe Network Replacement Emergency Fund under this Article are in addition to the one million eight hundred thousand dollars ($1,800,000) already advanced by the State. If FEMA moneys should become available for resolution of the community and school low pressure pipe interim repair and permanent connection, those dollars shall be added to this fund.

"**§ 162A-115. Department of Commerce has rule-making authority.**

The Department of Commerce may make rules to implement this Article."

Section 2. This act becomes effective July 1, 1997.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

H D

HOUSE BILL 1011
Proposed Committee Substitute H1011-CSLDK-1
WARNING: LINE NUMBERS MAY CHANGE AFTER ADOPTION

Short Title: Low Pressure Pipe Systems Report. (Public)

Sponsors: Representatives Capps; Eddins, Hensley, Mosley, and Neely.

Referred to: Appropriations.

April 21, 1997

A BILL TO BE ENTITLED

AN ACT TO REQUIRE A STATUS REPORT TO THE ENVIRONMENTAL REVIEW COMMISSION REGARDING FAILING COMMUNITY LOW PRESSURE PIPE WASTEWATER SYSTEMS LOCATED IN WAKE COUNTY.

The General Assembly of North Carolina enacts:

Section 1. No later than October 15, 1997, the Department of Commerce, the Department of Environment, Health, and Natural Resources, and the North Carolina Utilities Commission shall submit a joint report to the Environmental Review Commission regarding the status of community low pressure pipe wastewater systems located in Wake County that are, as of the effective date of this act, experiencing failure. This report shall state what corrective actions have been taken for each of the failing systems. This report shall include which communities served by a failing community low pressure pipe wastewater system have been connected to a municipal wastewater system, which have been connected to a private wastewater system, and which have not obtained a permanent substitute wastewater system.

Section 2. This act is effective when it becomes law.

HARRCO/INTECK LPP SYSTEM COST ESTIMATES

Project	Const. + 10%	Design Eng.	Eng @ 5%	Harrco	System Close out	Fees	Total
Pleasant Union	~~2,178,000~~ 1,810,600	88,875	~~108,900~~ 90,530	69,680	~~45,000~~ 21,000	56,444	~~2,546,899~~ 3,137,129
Sheffield	147,400	5,600	7,370	13,926	7,500	53,616	235,412
River Oaks	96,446	11,500	4,822	9,579	6,000	13,468	141,815
ROW * WOT	916,553	77,000	45,828	40,474	30,000	42,436	1,152,291
Yates Mill	764,687	72,862	38,234	0	57,000	29,252	962,035
Totals	~~4,103,086~~ 3,785,686	255,837	~~205,154~~ 186,784	133,659	~~145,500~~ 121,500	195,266	~~5,038,452~~ 4,628,182

The State allocation of $1,900,000 has been reduced by the following expenditures $133,494 pump and haul through 6/8, $78,232 for extended pump and haul, $20,000 for road repairs and $82,800 for interim repairs. The remaining amount for distribution is **$1,585,474.**

These figures are based on all construction that is not located on individual homeowners property and is contained on public rights of way or utility easements.

Fees charged by the City of Raleigh are equal to $412 per unit. Sheffield Manor must pay a tap fee to the Manchester/Banbury Sewer District.

Distribution of Funds

4,628,082 - 3425650137

Based on the following formula $1,585,474/~~$5,038,452~~ = ~~.31467482472~~ the distribution of the remaining funds would be:

Subdivision/System	State Funds	Per homeowner Cost after State Funds	Annual Payment at 5.5% over 10 years per homeowner
	732,115	10,255	
Pleasant Union	~~$801,445~~	~~$12,741~~ (137 Homes)	~~$1,690.32~~ 1,360.51
Sheffield Manor	80,645 ~~74,078~~	5953 ~~6,205~~ (26 Homes)	~~823.20~~ 789.77
River Oaks	48,581 ~~44,626~~	6,660 ~~6,942~~ (14 Homes)	~~920.98~~ 883.57
Woods of Tiffany	~~374,740~~ 362,597	7355 ~~7,667~~ (103 Homes)	~~1,107.16~~ 975.77
Yates Mill Run	~~329,564~~ 302,728	8,908 ~~9,286~~ (71 Homes)	~~1,231.95~~ 1,181.80
	$1,585,474	351 Homes	

7/1/97 7-7-97

DRAFT

MINUTES

House Appropriations Sub-Committee on

Natural and Economic Resources

July 10, 1997

The House Appropriations Sub-Committee on Natural and Economic Resources met Thursday, July 10, 1997, at 12:05 p.m. around Representative Baker Seat #50 in the House Chamber. Representative Baker called the meeting to order. Members present were: Representatives Baker, Mitchell, Carpenter, Culp, Fox, Hall, H. Hunter, Owens, Tolson, Weatherly, and Wilkins.

The purpose of the meeting was to discuss Committee Substitute for HB 565, entitled AN ACT TO CHANGE SEVERAL LAWS AFFECTING WAKE COUNTY. Representative Sam Ellis, bill sponsor, was in attendance to explain and answer questions pertaining to the bill. Representative Baker informed the committee that Jerry Cohen, Bill Drafting Section, advised him that the effective dated needed to be changed according to staff writing. HB 565 Committee Substitute is attached. Representative Hall moved that the date be changed as requested and to give the Committee Substitute a favorable report. Motion carried.

There being no further business, the meeting was adjourned at 12:10 p.m.

Respectfully submitted,

Representative Rex L. Baker
House Co-Chair

Jo Hinton
Committee Clerk

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

H D

HOUSE BILL 565
Committee Substitute Favorable 4/29/97
Proposed Committee Substitute H565-PCS1437

Short Title: Wake Omnibus Act. (Local)

Sponsors:

Referred to:

March 20, 1997

A BILL TO BE ENTITLED

AN ACT TO CHANGE SEVERAL LAWS AFFECTING WAKE COUNTY.

The General Assembly of North Carolina enacts:

Section 1. Chapter 279 of the 1989 Session Laws of North Carolina is repealed.

Section 2. G.S. 62A-8 reads as rewritten:

"**§ 62A-8. Payments from Fund.**

(a) Money from the Emergency Telephone System Fund shall be used only to pay for:

(1) The lease, purchase, or maintenance of emergency telephone equipment, including necessary computer hardware, software and database provisioning, addressing, and nonrecurring costs of establishing a 911 system, and

(2) The rates associated with the service supplier's 911 service and other service supplier recurring charges.

(3) The purchase of mobile or portable communications equipment.

(b) The following expenses are not eligible for payment from the Fund: the lease or purchase of real estate, cosmetic remodeling of emergency dispatch centers, hiring, training, and compensating dispatchers, and the purchase of ~~mobile communications vehicles,~~ ambulances, fire engines, or other emergency vehicles.

(c) A local government may contract with a service supplier for any term negotiated by the service supplier and the local government and may make payments

from the Emergency Telephone System Fund to provide any payments required by the contract."

Section 3. G.S.90-95.3(b) reads as rewritten:

"(b) When any person is convicted of an offense under this Article, the court may order him to make restitution in the sum of one hundred dollars ($100.00) to the State of North Carolina or to a unit of local government for the expense of analyzing any controlled substance possessed by him or his agent as part of an investigation leading to his conviction. Any funds received under this subsection shall be deposited in the General ~~Fund.~~ Fund, or with a unit of local government if it provided the controlled substance analysis."

Section 4. Section 4 of Chapter 441 of the 1995 Session Laws reads as rewritten:

"**Sec. 4.** This act is effective upon ratification. ~~This act shall sunset July 1, 1997.~~"

Section 5. This act applies only to Wake County.

Section 6. Any process served pursuant to Chapter 441 of the 1995 Session Laws from July 1, 1997, until the date this act becomes law is validated by this act.

Section 7. Section 4 of this act is effective retroactively from July 1, 1997. The remaining sections of this act become effective when they become law.

1997 PERMANENT SUBCOMMITTEE REPORT
HOUSE OF REPRESENTATIVES

FOR RECOMMENDING BILLS TO STANDING COMMITTEE OR TO THE FLOOR OF THE HOUSE
The following report(s) from permanent sub committee(s) is/are presented:
By Representative(s) **Baker, Mitchell, and Carpenter** for the Permanent Subcommittee on **Natural and Economic Resources** of the Standing Committee on **APPROPRIATIONS.**

☒ Committee Substitute for
H.B. 565 ☒A BILL TO BE ENTITLED AN ACT TO CHANGE SEVERAL LAWS AFFECTING WAKE COUNTY.

REPORTED TO THE STANDING COMMITTEE ON

RECOMMENDED ACTION:

☐ With a favorable recommendation.

☐ With a favorable recommendation and recommend that the bill be re-referred to the Committee on .

☐ With a favorable recommendation, as amended.

☐ With a favorable recommendation, as amended, and recommend that the bill be re-referred to the Committee on .

☐ With an unfavorable recommendation.

☐ With a favorable recommendation as to proposed committee substitute bill which changes the title, unfavorable as to original bill.

☐ With a favorable recommendation as to proposed House committee substitute bill, which changes the title, unfavorable as to Senate committee substitute bill.

☐ Without prejudice.

☐ Other recommended action: _____.

WITH APPROVAL OF STANDING COMMITTEE CHAIR FOR REPORT TO BE MADE DIRECTLY TO THE FLOOR OF THE HOUSE:
Rep. Holmes, Exposito, Creech, and Crawford for the Standing Committee on APPROPRIATIONS.

s/ George M. Holmes

☑ With a favorable report.
☐ With a favorable report, as amended.
☒ With a favorable report as to committee substitute bill (# 2), ☐ ~~which changes the title~~, unfavorable as to ~~original bill~~ (Committee Substitute Bill # 1). ~~(and recommendation that the committee substitute bill (# _____) be referred to the Committee on _____).~~
☐ And having received a unanimous vote in committee, be placed on the Consent Calendar. (PUBLIC BILLS ONLY)

4/24/97